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# Latin America Report

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FOREIGN BROADCAST INFORMATION SERVICE

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12 December 1985

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## INTER-AMERICAN AFFAIRS

## CARIBBEAN PARLIAMENT PROPOSED AT MEETING ON DEMOCRACY

## Trinidad-Tobago Proposals

Port-of-Spain EXPRESS in English 12 Nov 85 p 1

Article by Ria Taitt: "Call to Set Up Caribbean Parliament"

Text

**PROPOSALS have been made for a Caribbean Parliament and for a Caribbean Court of Appeal and Arbitration Tribunal to settle disputes within Caricom.**

At the Conference for Caribbean Democracy in Barbados held over this weekend, Minister of Agriculture, Lands and Food Production Kamaluddin Mohammed suggested that a Caribbean Parliament be formed. Mohammed, who served as vice-chairman on the panel during the political discussion *Strengthening Regional Co-operation*, gave an historical outline of the development of Caricom in addition to his proposal.

A.N.R. Robinson, Chairman of the Tobago House of Assembly, called for a Caribbean Court of Appeal and Arbitration Tribunal for the Settlement of Disputes within Caricom and as between Government and Private Enterprises.

But Robinson said that these were merely proposals. "We did not have executive authority so that

these proposals could not become decisions. But seeing that they reflected the views of Caribbean representatives, they should influence future policy."

But the mood of the conference, according to Robinson, was that Caribbean unity was instrumental to Caribbean economic development, "with some members saying that ultimately political union in one form or another was essential."

He added that this was an extremely good sign, given the apparent trend within recent times towards disagreement, disunity and crisis within Caricom.

Said Robinson: "The most significant outcome of the conference was the measure of agreement among all Caribbean representatives without a single dissenting voice on the need to turn around from its direction of separatism to renewing and strengthening the integrational process and the promotion of economic and political collaboration."

Robinson said that he told the U.S. Congressmen that nothing should be done to undermine and prejudice the integration movement and that regional institutions should be strengthened, not by-passed.

## Trinidad-Tobago Attendees

Port-of-Spain TRINIDAD GUARDIAN in English 9 Nov 85 p 1

Article: "ANR and Panday at Barbados Talks"

Text

MR. "A.N.R." ROBINSON Political Leader of the National Alliance for Reconstruction (NAR), and Mr Basdeo Panday, Deputy Political Leader, are in Barbados attending a conference which is assessing the state of democratic institutions in the Caribbean.

The weekend meeting has been convened by the Government of Barbados and is co-hosted by the National

Democratic Institute for International Affairs, an arm of the Democratic Party of the United States.

In Barbados Mr. Robinson and Mr. Panday will be exploring with other regional leaders many areas of mutual concern such as co-operation in the development of entrepreneurship in the Caribbean.

The meeting ends tomorrow.

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INTER-AMERICAN AFFAIRS

U.S.-TRAINED CARIBBEAN POLICE, SECURITY UNITS CRITICIZED

Bridgetown CARIBBEAN CONTACT in English Nov 85 p 7

Article by Earle Bousquet: "C'Bean Security Service under Suspicion"

Text

THE formal charges laid against six police officers in Dominica for their part in the death of a youth they arrested in 1981, and the several inquests being held into the death of persons in police custody in several of the OECS states are bringing a new, albeit negative, focus on the police forces in the smaller CARICOM states.

Accusations of police brutality over the years have brought responses from the governments to the effect that such charges were mainly "opposition inspired", and were aimed at "discrediting" the governments and ruling parties. Events are these days leaving absolutely no doubt that there are undesirable, trigger-happy elements in some of the forces, and the number of victims continues to increase from island to island.

In the Dominica case, **John Rose Lindsay**, a youth, was found dead one day in 1981, just hours after being arrested by the police. The police were accused of killing him, but constantly denied it, and the **Eugenia Charles** administration finally appointed a one-man inquiry after an autop-

sy revealed Lindsay had died from internal haemorrhage.

The one-man Commissioner was **Mervyn Holder**, a senior Barbados police officer, who subsequently served as Commissioner of Police in Grenada following the US-led invasion. When the report came in 1984, it showed that six police officers (a woman among them) were sufficiently responsible and involved to have formal charges laid against them on August 26 last. Another six police officers were also suspended for their involvement in the incident.

A week earlier in St. Vincent, on August 18, **Bernard Holder**, a Vincentian wanted by the police for questioning about several house robberies, was shot and killed by a policeman. The official police version is that the arresting officer "was attacked with a kitchen knife" when he went to apprehend Holder.

In 1982, **Alphonsus Shallow**, another Vincentian in police custody, died from severe internal injuries. In the past three years, there have been three such incidents with persons dying under highly con-

troversial circumstances in St. Vincent, while in police custody.

### ST. LUCIA

Last December in St. Lucia, **Alphonsus Fontenard** was found dead at the bottom of a steep seaside cliff near the capital, Castries. He had been held by police hours earlier, assisting them in investigations into the disappearance of his boss, **Ralph Daniel**, a gas station manager, who had disappeared while on the way to deposit several thousand dollars at a local bank.

A police statement said Fontenard, alias "Dr. Yamaha", had "committed suicide" by jumping over the cliff. But at an inquest into the deaths of Daniel and Fontenard, an autopsy report revealed Fontenard died from several police bullets, which had caused internal haemorrhage. It also found that Fontenard had killed Daniel. Three policemen admitted they shot "Yamaha" several times, and the jurors accepted their new explanation that they killed him "in self defense", as he was trying to drag the three of them down the cliff with him.

### SPECIAL SERVICES UNIT

In all the cases the policemen being accused of being trigger-happy or being called "executioners" are in one way or another linked to the Special Services Unit (SSU) of the police force on the respective islands.

Formed in most cases after the US-led invasion, the SSUs are sections of the national police forces, trained and armed by Washington, and operating

as Island-detachments of a sub-regional Regional Security Scheme (RSS) — the regional security mechanism between Barbados and the OECS states, under which Washington was supposed to have been "invited" to invade Grenada.

Since the Grenada events of 1983, the development, training, arming, and equipping of the SSUs has been virtually at the expense of Washington, and to a much lesser extent, of Britain and Canada. They have been developed as paramilitary sections of their national police forces, and have been performing functions that also envelop militaristic activity.

They are armed with US-made M-16s, dressed in battle fatigues ("greens"), and drive in battle-painted and camouflaged vehicles and jeeps, but the governments insist that they are still "ordinary policemen", and that their duties are mainly "police work".

However, it is the emphasis on the military appearance and use of military techniques, the training in counter-insurgency, and the alleged inclusion of ideological anti-communist instruction in the oral aspects of their training that has brought several criticisms from some political forces in the region. Some argue that the "elite" SSU forces are being made to operate almost at the whims and fancies of the ruling parties, while others charge that they are being developed as "proxy armies" or "satellite forces" that can be mobilised under command of benevolent Washington anytime "another Grenada" appears in Jamaica, Barbados, or any of the member-states of the OECS.

It has nevertheless, been observed on several islands that as the sophistication and technology of the arms provided to the SSUs has increased, so has their rate of fatal casualties.

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INTER-AMERICAN AFFAIRS

CARICOM AGRICULTURE MINISTERS MEET, DISCUSS TRADE

Kingston THE VINCENTIAN in English 18 Oct 85 p 3

Article by Elvis Ollivierre: "St Vincent, Barbados and Guyana Implement New Trading Agreement"

Text

St. Vincent and the Grenadines is one of three Caricom states to have implemented a new marketing arrangement to trade in primary agricultural products and livestock. Barbados and Guyana are the others. The Caricom Secretariat announced this last week.

Conformation of the implementation of the new scheme came at a special meeting of agricultural ministers held at the Caricom Secretariat in Georgetown, Guyana. Ministers from Barbados, Guyana, Dominica, Jamaica, St. Lucia, Trinidad and Tobago and St. Vincent and the Grenadines attended the two-day meeting. A Caricom Secretariat release stated that the implementation of the new scheme involves not only enactment of legislation but also the setting up of administrative machinery at the national level for its operation.

The agricultural ministers agreed that all member Caricom states should commit themselves to take the necessary steps to complete the implementation of similar schemes at an early date. Reports say that the ministers also examined the proposals for the protection of the sugar market within Caricom. It was noted that at the moment the region imports about fifty million U.S. dollars worth of different grades of sugar, while producers find it difficult to market this commodity intra-regionally.

The Caricom Agricultural ministers, after expressing concern about developments relating to the Caricom sugar quota on the United States market, agreed that strong representation should be made to the U.S. authorities because of the grave implication for the regional sugar industry.

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INTER-AMERICAN AFFAIRS

CARIBBEAN MEDIA WORKERS ADOPT DECLARATION FOR NEW BODY

Castries THE WEEKEND VOICE in English 19 Oct 85 p 7

[Article: "Journalists to Form Regional Media Association"]

[Text]

JOURNALISTS and media workers from several Caribbean countries who met here earlier this week have decided to work towards the creation of a regional media workers association.

A steering Committee comprising representatives of six national media associations has been set up to deal with the creation of the regional body. The six are: Gladstone Wilson, Press Association of Jamaica (co-ordinator); Dawn Morgan, Barbados Association of Journalists; Cecil Shillingford, Media Workers Association of Dominica; Moses Nagamootoo, Union of Guyanese Journalists; Guno Cooman, Progressive Media Workers Association of Suriname; and Earl Bousquet, St. Lucia Media Workers Association. Prominent regional journalist, Rickey Singh was named as a consultant to the committee.

The following is the full text of the final declaration issued at the end of the two-day seminar:

The meeting was motivated to undertake this responsibility out of a commitment to promote the professional interests of media workers, to encourage the strengthening of Caribbean unity, and to preserve the cultural and political sovereignty of our region.

Further, the meeting was inspired to proceed with the task of establishing the regional media organisation out of an awareness of:-

1. The growing climate of hostility being experienced by professional practitioners in the media;

2. Systematic attempts to decimate the profession through retrenchment, redundancy, and political considerations;

3. The deep concern over the concentrated cultural penetration of our region through satellite technology, and the invasion of our airwaves; and

4. The need to heighten the awareness of media personnel about their social functions.

The meeting mandated the committee to engage in dialogue with media associations to determine how best to promote common interests and to achieve broader objectives, including resisting the threats to the region's sovereignty, and attempts to create political and geographical fragmentation.

One of the tasks of the steering committee will be to encourage responses, not only from existing media organisations, but also from media workers in territories where national associations do not now exist.

The members of the committee have also been requested to be guided in their deliberations by ideas and proposals advanced at the seminar, and in particular, a set of proposals from the Press Association of Jamaica (PAJ).

It was the consensus that media associations and media personnel in general respond in writing to the Coordinator of the regional steering committee within four to six weeks, with their own suggestions on how best to make a reality of something about which there has been ongoing discussions at the national and regional level, namely, a regional association to directly represent the

interests of Caribbean media workers.

The meeting also agreed that one of the objectives of the regional media workers association should be to establish working relationships with regional organisations such as the Caribbean Publishers and Broadcasters Association (CPBA), and other professional and fraternal organisations."

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ANTIGUA AND BARBUDA

ACLM ISSUES 15-POINT ANTIGOVERNMENT DECLARATION

St Johns OUTLET in English 6 Sep 85 p 1

Article: "ACLM Launches Important Declaration"

[Text]

ACLM, at a massive public meeting outside its Headquarters at George Weston Square, on Thursday August 29, launched the most recent of its political publications.

The publication which is in great demand is entitled DECLARATION OF THE PEOPLE OF ANTIGUA AND BARBUDA and is subtitled, The People vs Bird and Birdism.

During the public meeting ACLM's outstanding speakers Radcliffe Robins and General Secretary Harold Lovell dealt with various aspects of the 15 point Declaration and the charges against the Bird regime.

The Declaration was the direct result of ACLM's Party Congress which convened on Sunday July 28 and concluded on July 31. The Declaration was drawn up by various delegates representing various branches and groups within ACLM.

Among the 15 points in the Declaration is this one "We condemn the Government's use of Parliament to pass repressive Legislation such as

the Public Order (Amendment) Act and the Industrial Court Act aimed at taking away the rights guaranteed under the constitution. Pulling the teeth out of Trade Unions with the pliers of Parliament has been a crude and horrendous process by the Bird regime."

Another point made by the Declaration concerns the question of Drugs. The Declaration stated:

"We are concerned that the availability of illegal drugs (narcotics) is on the increase. Government's policy to date has failed to stop the in-flow and out-flow and use of hard drugs, especially cocaine in our Country. The every fabric of our society is threatened by this development.

"We are mindful" says the Declaration "that the high and mighty must be involved in drug-trafficking; hence its prevalence. The small are punished. The high and mighty go scot-free. This is unfair and unjust. Added to the danger, the situation is itself outrageous."

Similar statements on various topics such as Agriculture, the National Economy, South Africa and Grenada, Education, Water, Health and Corruption are embodied in the Declaration, which ACIM is sending far and wide.

A limited number of copies of the Declaration are available at ACIM's headquarters, George Weston House.

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ANTIGUA AND BARBUDA

ACLM'S OUTLET CALLS GOVERNMENT BIASED TOWARD FOREIGN BUSINESS

Israeli Project

St Johns OUTLET in English 11 Oct 85 pp 1, 2

Excerpts

After much protest from local farmers, and after an assurance from the Bird Government that the project was indefinitely suspended, the Israelis are here and in operation.

The indefinite suspension was but a cheap trick which Government used to con farmers into the belief that the project was rejected in view of their protests. Once the farmer protests had ended, the Government underhandedly re-introduced the Israeli scheme without notice to farmers or public.

For some weeks now the Israeli Agro-business known as AGREXCO and trading as ROYDON in Antigua had a number of trailers on the Antigua docks.

The trailers were moved over two weeks ago, when the Israelis took over both Coconut Hall and (big) Cotton's, Estate, amounting to some 400 acres.

The operation was carried out with such stealth, as if the project were to be sneaked into Antigua without public knowledge. So much so, even the Director of Agriculture seemed unaware of the presence of the Israeli take-over and the scope of their operations.

Initially when the Israeli agricultural project was first revealed by Outlet in its January 4, 1985 issue the Bird Government vehemently denied the story.

Later, they admitted, but insisted that the project would only involve 200 acres. Now that the project has come, in its initial stage, it is sited on some 400 acres of land. It will, for sure, expand in time.

The Bird Government seems to have discarded local farmers, and are entirely dependent on foreign schemes for agricultural "development".

Besides the Israelis, the Communist Chinese have established themselves at Diamonds Estate, using Antigua Government irrigation equipment and other materials. No local Agricultural Instructor or Extension Officer has been assigned to the Chinese at Diamonds, who are said to be working on experimental crops. Antigua is outside experiments done right here in Antigua, supposedly in the interest of Antiguan agriculture.

Communist China, is heavily courted by the "anti-communist"

Bird regime for projects, joy-rides and money. The Chinese Communists at Diamonds have so far found the local "pond lettuce" an excellent feed for pigs.

However, no effort is being made to make this knowledge available to local pig-producers, and less effort is being made to increase the supply of pond lettuce beyond what the resident Communist Chinese farmers need. The Bird Government in open contradiction of its anti-communist diatribe, which it spews forth with monotonous regularity, seems set to invite one thousand (1,000) Chinese farmers to develop Antigua's agriculture! Dividing the agricultural spoils between Zionists on one hand and Chinese Communists on the other. In between local farmers will be sandwiched out of existence. Since local farmers protested the Israeli farm take over efforts have been made to bribe a number of local and vocal farmers, with promises of irrigation equipment, pumps and materials to be provided to local farmers. Some have bitten on the cheap bait. They are now choking on the broken promises, but compromised into silence nonetheless.

Meanwhile nothing has been heard from Minister of Education Reuben Harris who joined farmers in Bethesda - a part of his constituency - in protest-

ing the Israeli project. Harris will be in Communist Bulgaria for 5 weeks. Nothing too has been heard from Minister of Public Works Hilroy Humphreys who also joined his farming constituents in Freeman's Village in rejecting the Israeli farm project. Humphreys just returned from an extended tour of Europe and the Mid-East where he met with Arab potentates. The Bird Government is a confusing and confused mix of Reganite and Communist twists and turns, Israeli and Arab schemes, topped off by a heavy dose of U.S. domination.

The Bird regime seems well set on a course of turning over every sector of the Antigua economy to foreigners. So far there is tourism with 31 out of 32 luxury hotels foreign owned, there is manufacturing 98% foreign controlled, construction and commerce, are mainly foreign dominated, and now Agriculture. Besides the Israelis, the Italians have recently come as well, supplying even unskilled-labour for the construction of a hotel which, according to the Bird Government, "Antiguans do not have the skill to construct" after more than 25 years of hotel construction!

Antigua is open sesame for any foreign scheme, particularly if the enterprise is proposed by known schemers and crooks.

#### Foreign Wealth

St Johns OUTLET in English 18 Oct 85 p 1

Text A full page advertisement on Antigua and Barbuda appeared in the September 18 issue of THE NEW YORK TIMES.

The official advertisement stated that "Antigua had the foresight to 'get out' of a sugar-based mono-economy in the mid-1970's and pursue tourism and

**manufacturing according to Hugh Marshall Minister in the Ministry of Economic Development, Tourism and Energy" said the New York Times advertisement in the D section of that paper on page 13.**

**At home in Antigua the Bird Government did not praise as "foresight" the PLM's decision to "get out" of the Sugar industry, but condemned it out of hand, re-introduced the sugar industry, which collapsed in a crash resulting from corruption of sugar factory loan funds.**

The advertisement also hailed the government of Antigua as "An AGGRESSIVE pro-business Government". This is the first public admission that the Bird Government is aggressively "pro-business" and aggressively anti labour.

Self-proclaimed advisor to the Antigua Government, Englishman Peter de Savary owner of the St James Club claims in the New York Times ad that the "Antigua Government is in favor of capitalism".

In a brazen lie, Deputy Prime Minister Lester Bird says in the full-

page New York Times ad that "the main thrust of policy is to give more emphasis to the development of the manufacturing and AGRICULTURAL sectors and to forge linkages between the tourism, manufacturing and agricultural sectors." The facts show that agriculture declined from a high of 66 per cent of GDP up to 1964 to a low of 4% of GDP in 1984! ACLM has increasingly called for linkage between the tourism and manufacturing sectors. The Bird Government, through spokesman Lester Bird, has in Antigua condemned such linkage as "Communist". Now to sound sensible it adopts ACLM's policy abroad, while it condemns it at home as "communist" ..

Among the other oddities in the Antigua advertisement is the claim that Antigua has "US Military bases" which guarantee security. No other country in the world advertises foreign military bases as the proof of security.

The advertisement in one section ends with the invitation to Americans "To Join us in OUR profitable Paradise" in Antigua. Profit for whom? Foreigners of course.

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ANTIGUA AND BARBUDA

NEW PUBLICATIONS PLANNED BY WORKERS UNION, RULING PARTY

ALP 'Rumblings'

St Johns OUTLET in English 31 Oct 85 pp 1, 2

[Text] Some new and peculiar signals are coming from the ruling ALP. First the re-naming of the airport after Prime Minister V.C. Bird, is a sure sign and certain signal that he is being given his flowers before he leaves. Perhaps his resignation and New Year Knighthood, to become Governor General is imminent.

Already a fourth son, but third in line, is being groomed to take over the Cedar Grove Constituency held by V.C. Bird. Dr Roswald Bird, 45, attends regular meetings of the Cedar Grove constituency on Thursday nights.

Added to that is Deputy Lester Bird's programme for a new image. Lester through displaced Carnival chairman Hugh Pigott, a public opponent of Minister of Education Reuben and Harris was selected to organise and plan the Deputy Splash Down last Friday, which through rain became the Deputy Splash Out.

The programme at Cassada Gardens received maximum air-exposure, and was promoted like no other ALP program ever was, obviously to refurbish the fast-fading image of Deputy Prime Minister Lester Bird, and obvious heir apparent.

The next strange sign is the Deputy's new publication, of which Minister of Agriculture is a principal called The Antigua and Barbuda Herald.

However when Outlet checked the Registry, the Herald was not registered.

This new publication is designed to protect and advance the "interests" of the Bird faction even against the St Luce faction in the battle for succession.

However, according to ALP, insiders the main focus of the Herald will be Outlet. The Deputy say the insiders, was dissatisfied with the Workers Voice and "its failure to highlight the articles" written by Lester Bird "against Tim Hector." Lester Bird has decided that ACIM is the problem for him to overcome.

No one in the ALP hierarchy was aware of the publication The Herald, of which it is said the Deputy is the publisher.

Meantime, the St Luce faction is making moves to use the Workers Voice to defend against the Lester faction. The battle is now in the public domain it would seem.

Meantime, anticipating his discipline, PM V.C. Bird made efforts to reestablish veteran ALP stalwart, Joseph Myers, now a dissident voice in the ALP. Myers was promoted on radio to a junior ministry even though he had refused the offer. Myers is of the view that the ALP has lost its way and no longer rules the interest of the working people. He is insistent on the need for reform.

Observers believe that the elevation of Myers is a prelude to the demise of current Minister of Public Works Hilroy Humphreys. Both PM V.C. Bird and Deputy PM Lester Bird are said to be dissatisfied with Humphreys' outbursts against the Birds in Executive meetings and in private meetings.

Humphreys on Monday last in a preemptive strike called "a staff meeting" and personally invited Joseph Myers to attend. Mr Myers declined.

Meanwhile other Cabinet Ministers openly expressed dissatisfaction that "just come" Minister without portfolio Henderson Simon was chosen to give the tribute to V.C. Bird at the airport renaming. The Ministers said that "Simon only knew V.C. Bird two years before the elections, knows little of Antigua's history and less about V.C. Bird." The Ministers quoted here, regarded the choice of Simon as "a deliberate snub" to John St Luce who had much to do with the revival of the Labour Party and "the resuscitation of V.C. Bird from political oblivion in the 1971-76 period."

In the while the ruling one-party limps along each faction going its separate way as the country stagnates.

#### ATLU Report

St Johns THE WORKERS VOICE in English 26 Oct 85 pp 1, 10

#### [Text]

Antigua and Barbuda is gearing up to welcome two new newspapers within the next couple of weeks. These would bring to five the number of newspapers in operation in the country.

It is expected that one of these weeklies will be published by the Antigua Workers Union, who originally published the 'Trumpet', which

blew itself out of circulation soon after it arrived. It is rumoured that the paper will have a new brand name this time around, and they don't want George associated with it. Not for the time anyway.

The other weekly which is due to appear shortly will be published by either the A.L.P. or some of the A.L.P. ministers and friends.

This reporter cannot ascertain who the publishers are to be, but it is certain that Agriculture Minister Yearwood and Deputy Prime Minister Lester Bird are associated with this newspaper whether it is a party newspaper or a privately owned newspaper, the Workers Voice, Antigua's oldest newspaper welcomes it along with that of the A.W.U. to the fold. The Workers Voice is published by the A.T.L.U., the industrial arm of the ruling A.L.P. We have been under constant pressure because occasionally we have had to be criti-

cal of Government Ministers and Government policy especially when that policy adversely affects the Union and the working class of Antigua and Barbuda.

Especially, as Antigua and Barbuda is in the unique position of having no opposition in the Lower House of Parliament, the Union and its organ, the Workers Voice reserve the right to offer critical support to the Government. We will also speak out on matters which affect workers in this country. Let this suffice for now.

/12851  
CSO: 3298/141

ANTIGUA AND BARBUDA

BRIEFS

HECTOR COURT APPEAL--The Constitutional motion brought by Outlet Editor Leonard Tim Hector, which challenges the Constitutionality of the law under which he was sentenced to prison for "making a false statement likely to undermine confidence in a public official in the conduct of public affairs" began in the High Court on Wednesday October 2, before Mr Justice Bryon. The Judge upheld submissions by Barrister Syndney Christian, who is appearing for Tim Hector, that proceedings begun in the Magistrate's Court on a similar charge should cease until the constitutional motion is heard and determined. Justice Bryon, did not uphold submissions by Lloyd Luckhoo who appeared for the Attorney General. Mr Luckhoo submitted that sections relating to the parliamentary debate when the amendment to the Public Order Act, specifically Lester Bird's comment in parliament that the Amendment would "modernise the constitution" and update the sedition Act should be struck out of Hector's affidavit. The Judge ruled that they were valid until proven otherwise. Hearing of the Constitutional motion was adjourned pending a date to be fixed, probably in early November. [Text] [St Johns OUTLET in English 4 Oct 85 p 2] /12851

CANADIAN AID FOR UNION--The Antigua and Barbuda Union of Teachers has secured external funding to construct a new headquarters building in St John's. The money, in the amount of 180-thousand E.C. dollars, comes from the Nova Scotia Teachers Union in Canada. The disclosure was made by President of the A&BUT, Mr Austin Josiah who was in Canada to attend a one month leadership training course with the Canadian Teachers Federation. Mr Josiah who held discussions with the Nova Scotia Teachers Union, on the funding for the new building, described the negotiations talks as very successful. He mentioned that the negotiations also centered around a total package deal for teachers in Antigua and Barbuda and schools in the country. But, he explained, that because of the amount of money involved, the union will be meeting shortly to decide on how the money should be spent. [Text] [St Johns NATION'S VOICE in English 18 Oct 85 p 6] /12851

CSO: 3298/142

ARGENTINA

DEPUTY ASKS APPROVAL OF BAKER PLAN

PY212007 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0000 GMT 21 Nov 85

[Text] Buenos Aires, 20 Nov (NA)--Ricardo Alagia, a UCR [Radical Civic Union] deputy for Buenos Aires Province, today introduced a bill asking the chamber of deputies to accept the inclusion of Argentina in the Baker Plan in order to thus achieve "economic development, foreign capital investments, and the return of the country of national capitals currently abroad."

Alagia's bill was introduced in the Chamber of Deputies at a time when Economic Planning and Coordinating Secretary Adolfo Canitrot is proposing that the government delay a definite decision on the inclusion of Argentina in the Baker Plan and wait for the results of the implementing of the Baker Plan in Mexico. In the meantime, members of the Coordinating Board are reluctant to let the country be a model for that foreign financing plan.

Alagia stated that "it is necessary to integrate ourselves in world policies, inasmuch as it cannot be assumed that any country functioning in an isolated manner can have the character we hope to give to this great nation."

Alagia stated that "institutional policies must be related to private sector growth and rearrangements in the public sector in order to assist in increasing employment, production, and efficiency."

Alagia stated that "action must be taken concerning supply in order to encourage domestic savings and facilitate efficient investments, both domestic and foreign, through tax reforms, labor reforms, and the development of financial markets," adding that "there must be measures aimed at the opening of markets in order to stimulate the influx of capital and liberalize trade."

Alagia stated that "the Baker Plan assumes Argentina is a reliable country and emphasizes the human possibilities and moral reserves in its creative capabilities. Without doubt, given the conditions in which the country is now, it is necessary to create a system that reverses the economic situation, aiming at our country's economic take-off."

/8918  
CSO: 3348/191

ARGENTINA

ISRAELI DELEGATION PROPOSES BARTER TRADE

PY220012 Buenos Aires BUENOS AIRES HERALD in English 21 Nov 85 p 3

[Text] (NA-DYN)--Top line Israeli business leaders travelling with Israeli Trade and Industry Minister Ari'el Sharon yesterday proposed barter trade with Argentine in an effort to balance its unfavourable commercial relationship.

In the past 5 years Argentine exports to Israel have exceeded \$250 million, while only importing \$95 million.

The Israeli proposal would exchange Argentine agrolivestock (especially meat and feed for poultry) for Israeli raw material and high-tech (earmarked for energy, communications and agribusiness).

Israel Imar, president of the Argentine-Israeli Chamber of Commerce, said "the priority of the mission is to set up a bilateral commission to iron out existing trade relations obstacles."

Imar also said there was a chance that Israel, "Through its international market outlets, might help channel Argentine products toward European Economic Community and North American markets."

Yitahak Mitelman, president of the Israeli Chamber of Commerce for Latin America, Spain and Portugal, for his part said: "Today countries tend to buy from those who buy from them. That is why we want to revitalize our trade with Argentina."

At the same time the Hebrew Iona Centre rejected earlier criticism against Sharon by other Jewish community organizations and "warmly welcomed" the "Hebrew soldier."

/8918  
CSO: 3300/63

ARGENTINA

GOVERNMENT WILLING TO HOLD WAGE-PRICE TALKS

PY212309 Buenos Aires BUENOS AIRES HERALD in English 21 Nov 85 p 3

[Excerpt] (NA)--Economy Minister Juan Sourrouille yesterday said wage and price pressures were weighing heavily on society and cautioned that while the government welcomes wage-price talks with [word indistinct] and business it will not tolerate "wide deviations."

A private survey released yesterday confirmed that most businessmen see tripartite contract talks as the way out of the wage-price controls. But almost 40 percent of those polled feared inflation during the next 6 months would still race at over 4 percent a month.

Sourrouille, in a closing address to the 16th World Congress of Finance Executives, said under the Austral economic plan "change has been rapid and there are difficulties, I'm the first to admit it."

Among those difficulties, he added, "wage and price policy is where society is most being pressured today."

The controls "must not continue in the long run," Sourrouille said. "There has to be a way out, and that's what the government thinks."

To avoid reverting to the inflationary levels before last June wage-price talks in the future will require "that we all respect" the rules of economic stability, he said.

Sourrouille said the government "is willing to call a dialogue," but cautioned, "What the government is not willing to do is to put up with wide deviations" in any wage-price agreement.

Sourrouille added. "Unless the plan to modernize the economy finds solidarity, the result will be the reemergence of inflation."

Turning to the attributes of the Austral Plan, Sourrouille noted that "production has grown more than inflation in the industrial sector" and claimed that price stability has allowed business to balance its books and make economic projections in the future.

/8918  
CSO: 3300/63

ARGENTINA

FLOODS AFFECT NATIONAL BUDGET; ADJUSTMENTS NECESSARY

PY212247 Buenos Aires BUENOS AIRES HERALD in English 21 Nov 85 p 1

[Excerpt] (NA-DYN)--Vice President Victor Martinez yesterday announced the government would adjust next year's budget to overcome the severe losses caused by the floods now covering almost two thirds of the province of Buenos Aires.

In view of this the extraordinary sessions of Congress, due to begin on December 10, may be slightly postponed, Martinez said.

While President Raul Alfonsin, who described the flood situation as dramatic "for everyone," claimed 20 thousand people from the interior and 12 thousand from the Greater Buenos Aires are have been evacuated, press reports indicated over 60 thousand people have in fact been forced out of their homes.

The areas worse off yesterday were the towns of Bolivar and Dolores as well as the Greater Buenos Aires districts along the turbulent Reconquista River such as San Fernando, Tigre, Moreno, General Sarmiento, Merlo and San Martin. Civil defense sources set the number of persons evacuated in the Buenos Aires suburbs at 18,945.

The district of La Matanza, from which 1,580 persons have been evacuated, is expected to face increasingly hard times as waters from the Reconquista River drain into the La Matanza River. In neighbouring Moreno, Peronist Deputy Luis Brunati and local residents released a statement accusing the hydraulic bureau of negligence and pointing to the executive as responsible overall for the catastrophic situation.

Bolivar Mayor Geronimo Carretero's decision on Tuesday to blow up part of highway 226 in order to drain water from the urban area was widely criticized by neighboring district mayors who referred to it as "irresponsible," in a dispute which also drew in provincial Governor Alejandro Armedariz.

/8918  
CSO: 3300/63

ARGENTINA

BRIEFS

BRAZILIAN FALKLANDS PROPOSAL--Brazil has submitted a draft resolution to the UN General Assembly urging Argentina and Great Britain to undertake bilateral negotiations on the Malvinas issue. Following the Brazilian presentation, Foreign Minister Dante Caputo will on 21 November travel to New York to head the Argentine delegation to the United Nations. There, he will explain the Argentine position on the subject and await the result of the vote on the draft resolution. Caputo will be accompanied by Mendoza Justicialist leader Jose Octavio Bordon. In New York, radical legislator Marcelo Stubrin will join the Argentine delegation. According to the Argentine Foreign Ministry, the draft resolution submitted by Brazil--which was drafted by Caputo--will obviously count on our region's support and on the support of other nonaligned nations. It has also been learned that Tanzania, India, Greece, Mexico and Sweden, which together with Argentina make up the Group of Six, will support the Brazilian proposal. It should be recalled that on previous occasions the vote count on similar resolutions had the following results: 87 countries voted for, 9 against, and 54 abstained in 1983; 89 voted for, 9 against, and 54 abstained in 1984. [Text] [Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 21 Nov 85 PY] /8918

REVIEW OF LABOR CONTRACTS--Buenos Aires, 20 Nov (TELAM)--The government implemented a transitory measure this evening for a voluntary review of collective labor contracts, through which the parties may study the terms currently in force so long as they do not have a negative impact on prices. The decree, No 224, was disclosed this evening at Government House. It was noted that negotiations provided for in this decree imply that the parties will only discuss the clauses referring to general working conditions. [Text] [Buenos Aires TELAM in Spanish 2315 GMT 20 Nov 85 PY] /8918

SOVIET CREDIT GRANTED--The Soviet Union will reportedly grant a \$30-million credit to Formosa Province for the implementation of the Laguna Yema irrigation project, thus making productive 100,000 hectares in Formosa. It has been stated that the Soviet Union is willing to finance the project over a 10-year period with a 2-year grace period and an interest rate on the unpaid balance of 6 percent per annum. [Text] [Buenos Aires Domestic Service in Spanish 1600 GMT 21 Nov 85 PY] /8918

CSO: 3348/191

BELIZE

POLITICAL DIFFERENCES REFLECTED IN PRESS, PARTY ACTIONS

UDP 'Turmoil'

Belize City THE BELIZE TIMES in English 28 Jul 85 pp 1, A

[Text] The past week has been a very revealing one for Dean Barrow.

The first revelation came in last weekend's BEACON. It is clear to those who recognize Barrow's writing style that he wrote two articles in the BEACON last week. He wrote an article about the Bar Association meeting which was held a few weeks ago. The numerous inaccuracies and jaundiced comments in the article are indicative of the warped mind of the writer and deserves no further comment. The second piece as short as it was confirmed what has long been the feeling at this newspaper: the ministerial assignments given to Barrow are too much for him. Barrow is cracking-up under the pressure of the opposition BELIZE TIMES.

Dean Barrow's record as Foreign Minister has been abysmal. He has yet

to make a policy statement on the Foreign affairs of Belize. His first utterance "we are pro-west" led to a serious embarrassment: the closure of the French Embassy. As such, he is overseeing a gradual reduction of foreign representation in Belize. His inability to maintain the working relations between Belize and the U.S. cultivated by the P.U.P. is perhaps his signal failure. His despicable conduct towards Ambassador Barnebey - and by extension the U.S.A. - has had significant repercussions.

It is most interesting to note that Dean Barrow the Foreign Minister and Minister of Economic Development was NOT invited to go to the U.S. with the PM on his present jaunt. A

careful observation of the first announcement on Radio Belize reveals that Barrow was to join the PM on the London leg and Lindo was to return after the meetings in the U.S. This is a disturbing development. The fact that the Belizean Foreign Minister has so distanced himself from the US that he is now black-balled is a serious state of affairs.

His appointment of Edward Laing, among the most erratic and eccentric Belizeans, and Kent Tillett, a person twice rejected by the Belizean electorate as Ambassadors is symptomatic of his poor performance in his ministry. He has yet to clear the name of San Pedro, their faithful saint, or is he not a security threat to Belize?

We expect that Barrow will trek to the podium of the U.N. later this year to deliver his long awaited policy speech. But this is not acceptable - a policy statement should be made to a Belizean audience.

But we (apparently he has) cannot forget that Barrow is also in charge of Economic Development. He has made no statement of the economic development objectives of the U.D.P. regime. He has yet to speak of any alternatives which they are considering to deal with the problem in the cane belt. We note again he did not accompany the PM to Houston to speak with investors on this pressing matter. It is our view that Dean Barrow is in over this head in his portfolio. But the U.D.P. is a strange party in which incompetence is rewarded with greater things.

What ranks as one of the greatest announcement ever read over Radio Belize was that Dean Barrow would act as the P.M. and many other things. From our point of view he became the acting government! Besides the obvious ab-

surdity of the appointments more is to be learned about the power struggle in the U.D.P.

Stating the obvious, both Esquivel and Thompson are figure heads. Esquivel was selected leader of the U.D.P. because they realized that they could not win with Lindo at the helm. Thompson was appointed Deputy PM to give some semblance of racial balance. The real power seekers in the U.D.P. are Lindo, Aikman, Barrow and Elrington.

It goes without saying that Aikman and Elrington have seen their aspirations dashed. The fact that Barrow is acting for four Ministers in addition to his own portfolio is indicative of two things. One, that Barrow is Esquivel's choice in this power struggle. Two, that Esquivel does not trust any of his other Ministers to act in the sensitive posts of Finance, Defence, and Home Affairs.

We have no doubt that in their usual bombastic, arrogant and pompous style both Elrington and Aikman will demand an explanation from Esquivel. We at this newspaper are at a loss to understand why the P.M. would wish to so over burden one of his ministers- for however short a period. But since the days of 'open government' are over we may never hear Esquivel's explanation.

But there is one other very ominous development which can be deduced from this crisis. If Barrow were to assume the leadership of the U.D.P. (which he aspires for) what will happen to Belize? It is clear that Barrow and Lindo together would lead this country down a path to destruction, gangsterism and crass unbridled capitalism from which Belize may never recover. Regardless of how this leadership struggle is resolved - it is clear that if Barrow were to win, Belize would lose.

Corozal PUP Demonstration

Belize City THE REPORTER in English 28 Jul 85 p 5

[Text]

A protest demonstration, organized by the People's United Party in Corozal Town last Saturday, attracted some 350 marchers, most of them villagers.

The demonstration assembled in front of Tony's Motel on the South End and moved through 4th Avenue, along Fifth Street N. and Fifth Avenue into First South and disbanded in front of the Deluxe Theatre.

At a public meeting the night before, PUP spokesman had announced the purpose of the demonstration: to shake the Esquivel govt. into realizing that the closure of the Libertad sugar factory was a serious economic blow to Corozaleños. But the message which came across the loudspeaker heading the parade on Sunday had something different in mind. "Down with Raleigh", it said referring to area representative Israel Alpuche, and "Long live George Price", promoting the former Prime Minister as "the only competent leader to save Belize".

Citizens of Corozal Town were more amused than impressed. The last time they had seen Florencio Marin in action, he was leading a demonstration of cañeros in support of the Heads of Agreement in 1981. At that time some of the cañeros had guns and one man, Sylvino Riveroll, had been shot and killed because he did something which displeased the organizers of the parade.

Leading last Sunday's parade were Dr. Gregorio García and Mr. Everaldo Puck, two PUP candidates who had run and lost in last December's general elections. Bringing up the rear were Mr. Valdemar Castillo, and Mr. Florencio Marin, now Leader of the Opposition in the House of Representatives.

UDP's Union Support

Belize City AMANDALA in English 25 Oct 85 p 2

[Editorial]

[Text] It was well known that the General Workers Union was an indispensable support beam in the coming to power of the People's United Party in the 1950s.

In the 1960s, the muscle of the PUP became the Christian Workers Union, whose power base was on the waterfront.

PUP Leaders made sure to provide goodies for union bosses, shop stewards, foremen, and waterfront workers on a whole.

It is not so well known that the union support beam of the new United Democratic Party administration has been the Public Service Union, whose three thousand members were largely displeased with the carryings on of the corrupt and entrenched PUP administration.

Neither public officers or teachers have had a raise of pay in the last six years, and the UDP has not been able to deliver such in ten months, and there is apparently no such raise on the horizon.

Unless the UDP leaders themselves practise austerity, they will find growing disaffection among the ranks of public officers and teachers.

While the merchant community is the most organized and powerful lobby in the country, they did not win the 1984 general elections. The public officers and teachers did, that is our thesis, debatable to be sure, but very critical politically, nonetheless.

UDP Agricultural Policy Failure

Belize City THE BELIZE TIMES in English 27 Oct 85 p 8

[Text]

The farmers of Belize are the most neglected sector of the Belizean population. The UDP government is rewarding cronies with import permits for rice and beans from Guatemala. The Marketing Board is importing beans from the U.S.A.

The get-rich-quick policy (UDP style) has replaced the policy of self-sufficiency in basic items under the PUP Administration.

There was a decrease in rice production from the Toledo District. The Land Development Authority failed to assist farmers. The threat on the Ketchi Belizeans that they will lose their land was also a contributing factor. The promise of purchasing at the farm gate at election time has not been fulfilled.

It appears there is no demand for corn by the Marketing Board since UDP cronies have flooded the market with Guatemalan corn.

Cayo District farmers are stuck with their corn but have found out that it is one of their representatives who as Minister of Trade is issuing permits, right, left and center.

The Livestock farmers who used to export live cattle to the French Caribbean at lucrative prices (foreign exchange) are now at the mercy of the monopolistic system or lose their herd to rustlers. Since Mr. Colin Aquart resigned as Chairman of the Livestock Producers Association, the Livestock farmers are at the mercy of the government. They have been sold out in a similar fashion as the Public Officers Union. There is an urgent need for a leadership that will restore their dignity.

The North has witnessed the destruction of its sugar industry. A factory has been closed and hundreds of small cane farmers are forced to retire. Hundreds of workers have lost their jobs.

The man chosen by the Esquivel Government to promote Aloe Vera to cane farmers is wanted by the FBI in the U.S.A. Cane farmers beware.

The Minute Maid citrus project is a ploy to diffuse discontent. There is no guarantee that Belizean farmers can become citrus producers. There is no guarantee that a processing plant will be built. In a nutshell it was meant to benefit the Belizean Coca Cola magnate.

Grain production and Livestock expansion are the answer to the problems facing the farmers of the North. No Aloe Vera nor citrus can replace sugar.

#### UDP Threat to Development

Belize City THE BELIZE TIMES in English 3 Nov 85 p 2

[Text]

To the impartial observer, Belize is a country where the democratic process, begun in 1950, has created a climate of stability with encouraging prospects for continuing economic development. The prospects are good, but this opportunity for more development is endangered by the policies of government.

First: the policy of false promises, impossible of fulfillment, have deprived the government of the people's belief and trust in its statements & promises. According to the UDP promises, there were to be no increases in taxation, one thousand new jobs, raise of pay for government workers and a whole lot of attractive benefits.

Instead, there have been two rounds of increased taxation within a period of ten months resulting in a rise of the cost of living. Instead of one thousand new jobs, over three thousand Belizeans have lost their jobs or lost their source of income. The reduction of government's labour force continues in order to divert available revenue to purposes such as foreign travel, abuse of vehicles and the employment of political supporters to the hurt of the Civil Service.

Furthermore, there has not been any raise of pay while the increases in taxation have caused a general "raise up" in the cost of living with few exception of price reduction resulting from less expensive imports. Rice, corn and beans imported at less cost are still sold at the previous prices.

Second: the policy of the free market forces and political ideology have deprived the Belizean people of more investment in the economy. The political bias against the development programme of the previous government has deprived Belmopan, the Cayo District and the country of Belize, of the BELCAST project which would have provided a new and better campus for what is to be the University of Belize. This project would have provided more jobs and make available to more students the opportunity of university education.

The free market forces, championed by the UDP, have left the Belizean economy exposed to the hard-boiled economic strategy of the capitalist philosophy. Resulting from this is the closure of the Libertad Sugar Factory, which the previous government had arranged to keep open and thus preserve the sugar industry in the Corozal District.

Third: the policy of favouring foreign investment over the Belizean investors and the policy of neglecting the Belizean farmers has led to a reduction in the production of beans, corn and rice.

The production of these basic staples, which were produced sometimes in surplus quantities during the years of previous governments, has decreased at an alarming rate as Belizean farmers are made to take an inferior place in economic development. This cruel neglect will have serious consequences unless there is a reversal to the tried and proven policies of the previous government.

As a result of this policy, beans, corn & rice have to be imported and foreign exchange has to be spent for these imports which could be produced locally. There is no useful purpose saying that this essential food can be imported at cheap prices.

It is better to pay more to the Belizean farmers & conserve the foreign exchange to buy essential goods and services which Belize does not provide. At any rate the less expensive imports generally do not benefit the consumer.

Fourth: a policy of preference for a certain kind of large scale investment does not lessen the deprivation and misery caused by the deterioration of the sugar industry and the ill effects of UDP policies. As evidence of this is the recent transfer of some 700,000 acres of land to foreign ownership evidently without a development plan and also the reported attempts to so arrange land use as to make available to foreign investment land that can be used by Belizeans.

In the mixed economy of the previous government, foreign investment was welcome when it worked in cooperation with the Belizean people and to their benefit such as providing markets and employment for farmers and workers. The working of certain free market forces benefits the big enterprises at the cost of neglect of the small farmers.

All in all, the political stability of Belize, built up and maintained by the previous government is now in danger of collapse. No wonder a Minister of the Cabinet was reported in a foreign newspaper as predicting a devaluation of the Belizean dollar.

Such a devaluation need not happen if government returns to the right course leading to continuing economic development and social progress.

#### Cane Farmers Win for PUP

Belize City THE BELIZE TIMES in English 3 Nov 85 p 9

[Text]

The People's United Party has received massive support in the north as evidenced by the results of the recent Cane Farmers Association (CFA).

The results of the elections which are held annually for Branch Councils of the CFA reflect the worsening situation of the sugar industry brought about by the closure

of the Libertad Sugar Factory, the Price Stabilization Fund and the overall unemployment situation affecting hundreds and hundreds of families in the area. The results also show the discontent of the farmers with the ineptitude of the UDP run CFA, under Bonifacio Moh.

In the elections last week, the People's United Party won five of the eight branches including Orange Walk Town, San Roman, San Esteban, San Felipe and San Jose. The UDP only won in Yo Creek, Guinen Grass and Douglas. The majority of these branches were controlled by the UDP but have now reverted to PUP management.

While these elections should not be based on party politics, farmers have made their choices protesting the UDP's inability to revitalise the sugar industry which they had promised to do in their election campaign.

On Thursday, the members of the eight Branch Councils met and elected Mr. Santingo Rosado of Orange Walk Town as the new Chairman of the CFA to replace Mr. Bonifacio Moh. At the same time Mr. Jaime Toledo from San Roman was elected Management Committee Chairman.

#### Banana Land Deal

Belize City THE BELIZE TIMES in English 3 Nov 85 p 5

[Text]

Under the UDP, the Sugar industry is taking a battering with the closure of Libertad. In the years to come the citrus industry will be controlled by foreigners with the Coke deal. The other major cash crop is in the banana industry.

Much song and dance have been made of the fact that the UDP have turned over the banana groves to the private sector. The industry has been privatised. Some 2,200 acres of banana plantations have been sold. The Board we are

told was indebted to CDB, C.D.C. and the Trinidad Government for a total of \$17.7 million.

All this is public knowledge. But what was not made known to the Belizean people is the price paid by the big banana growers for all these valuable banana plantations on which much capital expenditure was incurred for infrastructural development in drainage and irrigation. According to one reliable report, the farms were sold for an

unbelievably low price. And the new owners have not taken over the debts of the Board. The Belizean taxpayers must still repay this \$17 million. This slippery banana deal has not been fully canvassed and make known to the Belizean public. We call on the Minister of Natural Resources to make known all the facts. Come clean Mr. Dean!

Thompson Reform Actions

Belize City THE BEACON in English 2 Nov 85 pp 1, 2

[Text] Deputy Prime Minister and Minister of Home Affairs Curl Thompson is being applauded for coming through on a post-election promise.

When Thompson addressed a passing-out parade of Police recruits on April 29, his address turned out to be a major policy statement on the Police and the Public Service. During that historic address, the Home Affairs Minister promised to take proper disciplinary measures against members of the Police Force and the Public Service (whom he called an unscrupulous minority) that have allowed themselves to be involved in matters that are not in the best interest of the service and the country.

Now the first signs of Thompson's untiring efforts to clear the Public Service and the Police surfaced this week, as two Housing and Planning officers were arrested for theft, a head of department suspended from his duties, and two immigration officers along with a former Police Inspector are being investigated for forgery.

On Wednesday night 31 year old Mrs. Cynthia Henkis, a First Class Clerk and 32 year old Pablo Campos, Rent Coll-

ector for the Housing and Planning Department, were arrested and charged jointly with the theft of Thirty-four Thousand Dollars (\$34,000.00) from the Department.

Meanwhile two Police officers and former Police Inspector John "Force" Franklin may face criminal charges in connection with the issue and authentication of false U.S. Birth Certificates. Franklin is an associate of a PUP lawyer, and heads his security firm.

THE BEACON has also learnt that Labour Commissioner Raymundo Cuellar has been relieved of his duties. He is being accused of "issuing" work permits to foreigners without the consent or knowledge of the Minister.

A senior staffer in the Home Affairs Ministry (who prefers to remain unnamed) told the BEACON that the arrests, investigations and suspension are a direct result of the Minister's move to clean the public service, and that more of the same can be expected within the coming months.

"Those who were so comfortable under the PUP," he added, will not find the same comfort under Mr. Curl Thompson or the UDP administration."

Charge of PUP Hypocrisy

Belize City THE BEACON in English 9 Nov 85 p 3

[Unsigned article: "Gone Abroad"]

[Text] Beto Mahler is gone, Cuellar is being investigated and the arrests at Housing and Planning will predictably be followed by arrests of two policemen and one former policeman. It seems like the government is finally getting its housekeeping act together, and none too soon.

The BELIZE TIMES can holler victimization 'till the cows come home. The mandate of December 14, 1984 is clear. Corruption must be destroyed root and branch, and the judgment of the people is on all those holdovers from the past regime who are known to be on the take.

The enforcer in all this is the Deputy Prime Minister who, already immensely popular on the streets, has seen his stock soar to new heights. We hear tell there is another angle to the work permits scandal--one which involves the sale of permanent residency status, local 'green cards.' Watch for some more heads to roll, as Curl goes after some fat cats in his own ministry.

The PUPs have gone from being the 'liardest' government in the Americas, to being the 'liardest' opposition in the world. And of course, 'liardness goes hand in hand with hypocrisy.

So the BELIZE TIMES continues to lie about the Coca Cola multi-million dollar investment in Belize. No stamp duty has been paid on the land transfer, says the TIMES. Yet the legal documents, available for public examination in the Registry, show clearly not only that stamp duty was paid, but how much stamp duty was paid.

Likewise the TIMES, whose major ghost writers are Harry Courtenay and Said Musa, denounces the whole deal, describing it as a sell out to foreigners, which stopped neither Mr. Musa nor Mr. Courtenay from being intimately involved as lawyers for some of these same foreigners, every step of the way of the transaction; and collecting their big, fat fees at the end.

Check the local newspapers and gazettes, and you will see that whenever these multi-national, giant companies come to do business in Belize, and are registering their patents and trademarks, their lawyers are invariably Courtenay or Musa. It is an especially twisted kind of hypocrisy that allows these two to bad mouth foreign investment, while getting rich off same.

And it is this very hypocrisy that causes Musa to oppose the new divorce law on the ground that it will make divorce too easy. He would rather, good husband that he is, see the institution of marriage strengthened and broadened. So broad perhaps, that a man may eventually be allowed to have two wives!!

/8309  
CSO: 3298/154

BELIZE

BELIZE YOUTH MOVEMENT CITES AIMS, ASSAILS ESQUIVEL

Statement on Goals

Belize City THE BELIZE TIMES in English 27 Oct 85 p 9

[Text] In this the first Belize Youth Movement (BYM) special addition to the TIMES we witness the birth of what will hopefully be a new chapter in the political arena in Belize.

The BYM has constitutionally existed for many years as the Youth Arm of the PUP. Today, the conditions under which the people of this country must live have changed and will continue to do so. We feel that the youth, in general, must take up their responsibility to be actively involved in the decision making which will determine how we live and what will become of us. This is the responsibility of all citizens.

As we accept the wisdom, experience and the better judgment of those more seasoned in the ways of the world and this life, all must also accept our need to answer the challenge to be heard and to be a part of what becomes of our country. After all, if we don't now begin to take up this responsibility and learn, what will become of us and other generations when those in charge at the helm today are not around or no longer capable of running things?

There is nothing complicated or sinister here. Our motives and goals are not fueled by any suspicious ulterior ground designs. Our intentions are simply and logical and anyone who feels for Belize must realize that an organised and responsible youth can only lead to a better Belize down the road.

The problems which Belize faces affects us all and at times affect us, the youth, moreso than our more mature fellow countrymen and women.

We are the ones who must face unemployment each year as more and more of us leave school. We are the ones who must also face the need for higher education. Why it's not available to us? Why the expansion of Belcast was not carried out? We must tangle with the reasons why its so difficult to get a good start in life, build our houses, and achieve financial security. What will gambling bring to Belize? How will the drug trade affect us?

These are our problems as well as those of our parents and we intend to do something about them. There will be good which will come from an organised, united, and concerned BYM. We trust that all will give generously and help us to complete the foundation from which Belize will take its rightful place in the larger picture of regional and world affairs.

Warning to Esquivel

Belize City THE BELIZE TIMES in English 3 Nov 85 p 10

[Text] We young Belizeans really want to look up and respect our Prime Minister, whatever our political beliefs. He heads our government and he represents us abroad, he speaks on our behalf. By his image, many will judge the kind of country and people we are.

Sad to say, the PM is not making it easy for us to maintain this respect for him. At press conferences, we see a cold, aloof and uninspiring man who is quick to lose composure and become upset. His answers are hardly answers, but rather short blurts which are more evasive than informative or persuasive.

And to make matters

worse, there we have (Popymen) Silva and Mono bowing and grumbling inside. We youths also expect "our P.M. to be honest, but does he really think we will swallow that statement about all our debts being paid off?

Paying off and rescheduling are two different things. Even so if the debts were paid off, that would only demonstrate the good economic condition which our country was left in by the previous administration.

So get your story straight and lay off the past administration, its becoming a stale cop-out and the youths are on to you.

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CSO: 3298/154

BELIZE

MARIJUANA ERADICATION, U.S. INVOLVEMENT ASSESSED

DEA Activity

Belize City THE BELIZE TIMES in English 20 Oct 85 pp 1, 12

[Excerpts] Soon after assuming office as Minister of Home Affairs Mr. Curl Thompson took to the Radio and T.V. to condemn with utmost righteous indignation, what he called the widespread growing cultivation and use of marijuana in Belize. He threatened to wipe out this problem in the quickest possible time by every means possible including the aerial spraying of praquat.

And then, last week the Foreign Minister before the United Nations General Assembly astounded his audience by claiming that there were those who were applying the threat of coercion to pressure Belize with Aid cut-off if the recommended "methodology" of weed eradication was not applied. Mr. Barrow left no doubt in anybody's mind that he was condemning the U.S. Government for these "coercive threats."

Now comes word that the place is crawling with agents of the Drug Enforcement Agency (DEA).

Looks like the DEA is getting reckless and desperate. Meanwhile, Minister Thompson is lying very low.

Criticism of Government Stand

Belize City THE REPORTER in English 20 Oct 85 p 2

[Editorial]

[Text]

LAST week at the United Nations Belize delivered a sharp retort to U.S. officials who have been warning that Belize could lose her economic aid advantages if she does not do more to bring the widespread cultivation of marijuana under control.

Speaking on behalf of Belize, our Foreign Minister Mr. Dean Barrow called the warning a "threat of coercion," which he rejected. Earlier in his speech he took aim at those who were criticizing

Belize for failing to eradicate any of its drug crop and described these criticisms as "disinformation of the most malicious sort".

Mr. Barrow claimed for Belize the sovereign right of a small state to act in pursuit of her own best national interest, and avowed that the influence of a large nation over a smaller nation, what he called "power disequilibria", cannot be allowed to defeat the sovereign right of Belize.

Now, before we get into any more heated rhetoric, let us pause long enough to establish a common sense dimension to this discussion.

The drug problem which Belize faces is not one which is exclusively domestic. If Belize produced its marijuana for home consumption, it might perhaps be considered a wholly national problem. But Belize grows her marijuana for the U.S market. Belize's drug production has a direct and inescapable impact on U.S. efforts to control the importation and use of drugs in the United States. It is therefore fair to admit from the outset that the United States has an interest - a valid interest - in what Belize does to control the production and exportation of marijuana. If the United States gets the impression that Belize is not doing enough to control her drug trade, she certainly has the right to say so - even if she does so in energetic and unflattering terms.

In the United States Senate and House of Representatives there has been a strong movement among lawmakers to withhold foreign aid from those drug-producing nations who make slow progress in controlling or eradicating their production of illegal drugs. The United States makes no secret of its publicly stated policy to use foreign aid to further the objectives of its foreign policy. So it is not surprising that Congress should want to use the foreign aid lever to pry slow-moving countries into line. It should not be surprising either than U.S. officials either at embassy level or higher, would remind Belize government officials of the danger of a cut-off of U.S. aid if the perceived movement of control and containment is too slow to satisfy U.S. expectations.

When Belize signed the Caribbean Basin Initiative pact with the United States in 1983, we all knew that U.S. foreign aid was contingent upon realistic moves to contain indigenous drugs. In that same year Belize carried out extensive aerial sprayings, using a chemical herbicide which has been widely denounced as lethal to animals and humans if absorbed through the skin. There were no known or documented casualties. During 1984 and 1985 there have been no aerial sprayings. Marijuana growers have taken the opportunity to recover from 1983 and to restock their barns and secret hiding places with the potent drug which they are now getting ready to export.

In his United Nations address Mr. Barrow pointed out that Belize did not need anyone to tell us of the insidious nature of the threat posed by marijuana production to the moral and ethical dimensions of Belize national life, to Belize institutions and to the very rule of law and democracy. This being so, his conclusion that the Belize Government would rather face these well documented and macabre results as the preferred alternative to aerial spraying needs, in our opinion, to be re-examined and revised.

Foot patrols doing seek-and-destroy missions are getting to only one per-cent of the marijuana being grown in the backwoods of Belize. The slash and burn technique being used is both dangerous and perilous - dangerous because of the risk of forest fire; perilous because of the danger of smoke inhalation and reprisals against those carrying out the missions. When the difficulties of weather and terrain are considered and combined with the drag on Police and BDF manpower resources, it becomes immediately apparent that the foot patrols on which the Belize government is placing so much reliance are slow and inefficient.

Yet, for reasons still not clear to us, the government apparently prefers to use these foot patrols in a land covered by jungle to the exclusive of any aerial spraying. Even selected aerial spraying

with alternative herbicide has apparently been ruled out. This decision has been reverently wrapped in the sacred mantle of sovereignty and presented to the United Nations General Assembly as Belize's "national interest."

This comes to us as one huge disappointment! To neglect aerial spraying under whatever pretext is to rule out the only effective method of marijuana control available to us at this time. We at this newspaper do not accept the position that it is in the national interest to rule out aerial spraying. It quite clearly is not!

The horrors of drug abuse in our city and towns have begun to prey on Belize with all the fury of a pestilence, and the victims are our own children. We cannot afford the luxury of complacency while the drug barons gather their strength. The battle lines have been drawn. There is no middle ground. Either we destroy drugs, or drugs will destroy us! Belizeans cannot remain silent on this subject.

It is bad enough that the government should have taken a decision not to spray. But to try to justify this action as something based on national interest - that is taking things too far! Furthermore to place our disagreement with the United States in the context of a confrontation which requires a public rebuke before the United Nations General Assembly is, in our view, to blow the whole business out of all proportion.

#### Barrow Response

Belize City THE REPORTER in English 27 Oct 85 p 2

[Letter to the Editor]

[Text]

#### To clarify

Editor Sir,

Please allow me to clarify certain points arising from your editorial coverage on October 20 of my statement to the United Nations General Assembly on Belize's foreign policy. You chose to speak out on Belize's position on the problem of drug trafficking as it affects relations between Belize and the United States.

Shortly before I was to address the U.N., the claim was advanced in the New York Times - one of the United States' most prestigious and widely circulated newspapers - that Belize had failed to eradicate any of its drug crop, and would therefore face the possibility of a US aid cut-off. The source for this report was a document prepared and made public by the United States Department of State.

One of the major themes of my presentation therefore, was the right of small nations to speak out in their own defense.

I have now been left to wonder at the sentiment which impelled you to endorse the action of the United States in rebuking the Government of Belize, even as you criticized me for daring to respond publicly to this technique.

On another point, your editorial accused the government of Belize of ruling out "even selected aerial spraying with alternative herbicide", of wrapping this decision "in the sacred mantle of sovereignty and presenting it to the United Nations General Assembly as Belize's national interest."

This is quite untrue. The position of the Government of Belize on the question of drugs is clear. Home Affairs Minister Curl Thompson, and indeed Prime Minister Esquivel, are both on record as being unalterably opposed to drug trafficking, and insist on an effective drug eradication campaign. Furthermore, Mr. Thompson has stated publicly that government was programming spot spraying in inaccessible areas where there is no inter-cropping, in order to help us determine the environmental impact of aerial spraying. We unquestionably accept the general duty of government to protect Belizeans from the horrors of drug abuse so graphically pictured in your editorial. However, use of the wrong methodology which might carry with it the imposition of a greater evil, just as clearly does not further the national interest.

Your editorial stated that there were no known or documented casualties after aerial spraying in 1983 "using a chemical herbicide which has been widely denounced as lethal to animals and humans if absorbed through the skin."

I do not pretend to be a scientist, nor do I imagine your editorial writer to be one. However, I cannot help but recall that the harmful effects of Agent Orange, used during the Vietnam War, did not come to light until years after people were first exposed to it. While therefore there were no casualties documented in 1983, that does not relieve us as a government of our obligation to make sure that there are no harmful health or environmental risks whatever involved in the use of chemical herbicides in a marijuana spraying campaign.

In conclusion, I grant that the pros and cons of aerial spraying are legitimate areas for national debate and editorial posturing. But it seems to me that it is only a newspaper that fails completely to understand the value of nationalism, that could propose limitations on the right of government to speak out in defense of Belizean sovereignty.

Signed: Dean O. Barrow  
Minister of Foreign Affairs

Ed's note:

We are obliged to the Minister of Foreign Affairs for his news that government is programming spot spraying in inaccessible areas where there is no inter-cropping, and we trust that this experience with spot-spraying will quickly lead to a realistic spraying campaign against marijuana in our country.

Our concern is not that Belize should chose to exert her right of sovereignty to speak out in her own defence, but that we should regard the decision not to spray as a decision taken in the national interest of Belize. We do not accept that it is, and the value of nationalism has nothing to do with it.

Cartoon on U.S.-Aid Threat

Belize City THE BELIZE TIMES in English 3 Nov 85 p 9

[Cartoon]



Government Decision on Spraying

Belize City THE BELIZE TIMES in English 10 Nov 85 p 1

[Text] "Belize Radio One" last week stated that trial aerial spraying of marijuann fields would commence, and that this would be monitored and its effects tested by technical staff of the Ministry of Natural Resources. The report also stated that the chemical to be used was called "ROUNDUP".

Investigation has revealed however, that no such personnel at the Ministry has been instructed to do any tests or take part in any monitoring in relation with the spraying. Furthermore, it is known that the Ministry does not have the equipment necessary to carry out such tests.

Certain areas of the

country have already been sprayed, and none of the Ministry Technicians were called upon to monitor the spraying. What is more, no technicians from The Meteorology Department was called upon to monitor wind-movements, as the Radio report had earlier indicated.

It is known that the chemical ROUNDUP only takes effect an average of 8 days after spraying - this gives ample time for the growers to harvest the weed after it has been sprayed, without any loss. ROUNDUP is also far more expensive than PARAQUAT, and we still do not know if it might not in fact be as harmful to other plants or to humans.

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CSO: 3298/155

BELIZE

CENTRAL BANK RECORDS GAIN IN NET FOREIGN ASSETS

FL292240 Bridgetown CANA in English 2151 GMT 29 Oct 85

[Text] Belmopan, Oct 29--The net foreign assets position of Belize improved by 1.2 million dollars (one Bel dollar; 49 U.S. cents) to negative 13.5 million dollars over the 1985 second quarter, according to the bank's latest economic review.

The Central Bank said a longer view discloses a 9.0 million dollar improvement from the position in June 1984.

Official international reserves increased by 4.4 million dollars to 9.1 million. The net foreign assets position of the Belize Central Bank increased by 4.1 million dollars.

The foreign assets of the bank expanded by 5.1 million dollars to 20 million dollars, representing the first draw-down on the USAID economic stabilization fund equivalent to 2.5 million dollars.

Foreign liabilities increased by one million dollars to 13.4 million. The joint consolidated fund and the Belize Savings Bank together contributed the other 0.3 million dollars of the overall increase in official reserves.

The Central Bank said the net foreign position of the commercial banks deteriorated by 3.3 million dollars to negative 22.7 million dollars. Foreign assets grew by 3.0 million dollars to 26.2 million dollars and foreign liabilities increased by 6.3 million dollars to 48.9 million.

The increase in the foreign assets of the Central Bank by 5.1 million dollars over the quarter is reflected in an improvement of 10.0 percentage points in the bank's external assets ratio (the ratio of the bank's approved foreign assets to its demand liabilities). At the end of June the ratio stood at 36.1 per cent. This represents the highest value this ratio has reached since September 1984.

For most of 1984 this ratio has been below the statutory minimum of 40 per cent, the Central Bank said. The improvement from December 1984 to June 1985 reflects both the positive effects of the monetary and fiscal policies introduced in January 1985 (seen largely in the first quarter) and the first draw-down of 2.5 million (U.S.) dollars made under the USAID economic stabilization fund.

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CSO: 3298/156

BELIZE

TRADE DEFICIT WIDENS AS PRODUCTION, EXPORTS DROP

FL281710 Bridgetown CANA in English 2256 GMT 27 Oct 85

[Text] Belmopan, Oct 27 (CANA)--Belize's visible trade deficit widened during the second quarter of 1985 as the major exports took a beating, the Central Bank reported.

The deficit widened by 3.6 million dollars (one Bel dollar; 49 U.S. cents), from 10.7 million dollars in the first quarter of 1985 to 14.3 million dollars in the second quarter.

The bank said this more than offset a 1.7 million dollar increase in total exports. An increase of 5.3 million dollars in retained imports was the major contribution to this widening of the trade deficit, according to the bank.

Total imports increased by 5.3 million dollars to 69.4 million dollars in the second quarter. An increase in the importation of consumer durables was primarily responsible for the increase in recorded imports.

The bank said imports for domestic consumption in the second quarter of 1985 increased by 2.9 million dollars to 55.6 million dollars.

Total imports increased by 1.7 million dollars, or 3.1 per cent, between March and June this year, despite the contraction of sugar and citrus.

Domestic exports in the same period expanded 1.2 million dollars to 41.3 million dollars. Re-exports increased from 13.3 million dollars in the first quarter to 13.8 million dollars in the second quarter, the bank reported.

The bank said that the central government's overall budget deficit fell from 2.3 million dollars to 7.9 million dollars in the first fiscal quarter. The overall recurrent deficit widened partly due to seasonal factors, from 0.2 million dollars to 1.1 million dollars.

Domestic credit (net) from the banking system fell slightly, to 196.7 million dollars by June. Credit to the public sector dropped by 2.6 million dollars, from 68.1 million dollars at the end of March to 65.5 million dollars at the end of June. This is due principally to an inflow of funds under the U.S. Agency for International Development (USAID) economic stabilisation fund agreement. Private sector credit increased by 2.2 million dollars to 131.2 million dollars over the quarter, the bank noted.

The bank said that by the end of June, some 961,599 long tons of cane had been ground between the two sugar factories, yielding 102,018 long tons of sugar and 28,099 tons of molasses; the ratio of tons of cane to tons of sugar stood at 9.42.

Good quality cane and efficient factory performance explain this favourable cane to sugar ratio, the bank noted.

Production was 1.1 per cent higher than the 100,904 long tons of sugar produced in 1984. This despite deliveries of cane to the factories that were 5.1 per cent lower than last year's level.

Sugar exports reached 64,830 long tons at the close of the sugar crop. This is 9,842 long tons or 17.8 per cent more than was exported in 1984 in the same period, despite the premature closing of both factories due mainly to the unavailability of cane.

The bank said that uncertainties about the future of the industry, primarily because of the depressed state of the world sugar market, partly explain the low production figures.

Banana production for export in the second quarter of 1985 stood at 113,000 boxes, a decrease of five per cent or 6,645 boxes over the previous quarter.

On the other hand, receipts in the second quarter at 1.4 million dollars fell only marginally compared with the first quarter. This is explained mainly by the higher quality and, therefore, higher unit value of bananas now being exported to the UK market, the bank said.

The production of garments for export suffered a slight fall, due mainly to weak demand in the United States in the second quarter of 1985. Production was in the order of 44,000 dozen pieces, which represents a decrease of 8.3 per cent or 4,000 dozen pieces from the previous quarter. Earnings from the quarter's exports fell by 1.1 million to 7.8 million dollars.

The citrus industry continued to benefit from preferential access to the U.S. market under the Caribbean Basin Initiative (CBI) programme, but production figures reflect a deterioration compared with the first quarter.

Production of citrus concentrate for export in the second quarter was 247,000 gallons valued at 5.4 million dollars. This represents a decline in volume of 11 per cent and a fall in revenue of 14 per cent from the first quarter.

Compared with the second quarter of 1984, citrus earnings decreased by 14 per cent, production fell slightly by 0.2 per cent.

The export of marine products in the review period fell by 22 per cent, from 303,000 pounds in the first quarter to 234,000 pounds in the second quarter. Earnings over the same period decreased by 35 per cent to 1.4 million dollars. In contrast to 1984, second quarter production was in the order of 190,000 pounds valued at 600,000 dollars; this is a 23 per cent increase in production and a 133 per cent increase in earnings.

Lobster continued to account for the largest portion of marine export earnings. These earnings stood at 0.9 million dollars in the second quarter of 1985, although the lobster season is closed for its usual four months from March 15 to July 15.

Conch export volume remained fairly constant, but with an increase of export prices from 2.50 dollars per pound, earnings showed a slight movement upward.

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CSO: 3298/156

BELIZE

BRIEFS

IMF TARGETS--Belmopan, Oct 29 (CANA)--The Government of Belize has successfully met the economic performance targets for June set by the IMF for continued balance of payments support, and has rescheduled the bulk of the debts of the Belize Electricity Board (BEB). Figures released by the Central Bank indicate that export earnings rose in the first quarter of 1985, despite price fluctuations. The efficiency of the sugar industry improved, the extraction rate (ton cane/ton sugar) failing from 10.2 to 9.49. Revenues from fishing have remained static, increased earnings from shrimp balancing a fall in the lobster catch. Citrus continues to do well, the price of concentrate having trebled in six months, but revenue from the new vegetable export sector was disappointing, due to inverse transfer pricing practices by Miami-based companies, says the bank. [Text] [Bridgetown CANA in English 1552 GMT 29 Oct 85 FL] /8309

BREAD PRICE CUT--The price of a 16 oz. loaf of bread whether sliced or wrapped has been decreased from 85 cents to 75 cents with effect from October 15. A release from the Ministry of Commerce and Industry states that the price decrease was approved because the ministry is satisfied that the cost of flour has also decreased and consumers must benefit from this development. The release adds that the ministry also wishes to assure consumers that it will "actively continue to seek ways of keeping the cost of living down." [Text] [Belize City THE BEACON in English 19 Oct 85 p 4] /8309

FOREIGN MINISTRY APPOINTMENT--Open government UDP style, Carlos Perdomo has been appointed Assistant Secretary in the Ministry of Foreign Affairs. Not one word has come from PM Esquivel or from Radio One. Carlos is the nephew of the discredited San Perdomo, who may soon get an official appointment somewhere or the other. Carlos, a former lecturer at S.J.C. joined the Civil Service a mere month ago and has already risen to the rank of Assistant Secretary. It is understood he is being groomed for the post of High Commissioner to London. Mr. Rudy Castillo, former High Commissioner, has been recalled home. A senior civil servant already in the Ministry of Foreign Affairs has reportedly applied for the job but has been dumped in favour of Perdomo who has been openly offered the post. Perdomo, it is to be noted, is a prominent supporter and campaigner of Esquivel and the Raise-Up gang. [Text] [Belize City THE BELIZE TIMES in English 27 Oct 85 pp 1, 2] /8309

CSO: 3298/156

BOLIVIA

FOREIGN MINISTER DISCUSSES SEA-OUTLET ISSUE

PY191619 La Paz Cadena Panamericana in Spanish 1130 GMT 19 Nov 85

[Text] Bolivian Foreign Minister Gaston Araoz Levy has announced that Bolivia will reiterate its position supporting multilateral treatment of the sea-outlet issue.

Araoz Levy has also said that in order to outline a consistent policy based on the proposal, he will convene the consultative council of former Bolivian Foreign Ministers, who, through their experience, will assist the country in finding the best approach for a satisfactory solution to our sea-outlet problem.

Here are Araoz Levy's statements:

[Begin recording] This is a key question for Bolivia, which basically espouses the text and the spirit of the respective OAS resolutions inasmuch as the Bolivian sea-outlet issue is a matter of constant and serious interest for the OAS. [End recording]

In addition, the foreign minister has emphasized that if the Chilean Government and Foreign Ministry suggest a concerted and bilateral solution it is because it is in their interest to do so. He added that the Chilean position has been well known a long time ago.

Nevertheless, Bolivia will insist upon a solution to the sea outlet issue through a multilateral approach.

[Begin Araoz Levy recording] No, what happens is that originally [Araoz Levy changes thought] as Chile has a well known position we also have our position, which is outlined on the basis of the consideration that we have hemispheric support, that is, the OSA will determine the steps to be taken in order to achieve progress on the matter of Bolivia's right to a free, sovereign and national outlet to the Pacific Ocean without territorial compensations. [End recording]

These were statements by Bolivian Foreign Minister Gaston Araoz Levy.

The century-old Bolivian sea outlet issue is still making the news with the relation that the national position of seeking a sea outlet through a multi-lateral approach to the problem.

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CSO: 3348/211

BOLIVIA

BRIEFS

POLITICAL ACCORD, TIN PRICES--Santa Cruz, Bolivia, 20 Nov (AFP)--General Hugo Banzer Suarez, the ADN [Nationalist Democratic Action] leader and a former president of the republic [1971-1978], said in Santa Cruz today that he feels that the pacification in Bolivia is due to a pact signed between the ADN and the MNR [Nationalist Revolutionary Movement]. Banzer, who was the candidate with the most votes in the 14 July elections, on behalf of the ADN signed a nonaggression pact with the MNR, the party of President Victor Paz Estenssoro. The pact, which was signed in mid-October, gave Paz Estenssoro the necessary congressional support to implement a state of siege which permitted him to quell a belligerent strike sponsored by the Bolivian Labor Confederation protesting against the new liberal economic policy implemented by his regime. However, the ADN leader added that the slump in tin prices on the international market will hamper the Bolivian economic recovery because that event, although it has caused no casualties, has had the impact of an earthquake. [Text]  
[Paris AFP in Spanish 1412 GMT 20 Nov 85 PY] /8918

CSO: 3348/211

BRAZIL

POSSIBLE PFL, PDS ALLIANCE DISCUSSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Nov 85 p 3

[Article by Carlos Chagas]

[Text] The process of changing the political party picture is proceeding inexorably--centered, from all indications, on the merger of the PFL [Liberal Front Party] with most of the PDS [Social Democratic Party] and segments of the PMDB [Brazilian Democratic Movement Party]. This was admitted, albeit cautiously, by Minister Aureliano Chaves, the principal leader of the liberals. Assessing the question, he began with doubts. He stressed that one must proceed very carefully in creating new parties. One must begin with two questions: in the name of what and in whose name?

Explaining himself, the former vice president stressed that, without a proposal for effective and feasible changes, there is no point in forming a new party. There must be a clear objective, acceptable to most of the society--which answers the second question as well. If the proposal is not directed to individuals, with names and addresses, popular support, no matter how numerous, is meaningless.

With this proviso, Chaves accepts the theory that, according to the results of the mayoral elections in the capital and other municipios on 15 November, the time may have come to reevaluate the political party situation.

The example of what is happening to the PDS, once the major national party, should be on everyone's mind. The diagnosis, to be made on the basis of the election figures and according to their consequences, could indicate that a broad sector of society recognizes the increasing need for balance. It is not a matter of bringing together the conservative forces to maintain conservatism, but rather of bringing together the nonextremist factions for democratic reform.

The country needs a great party of balance, such as the PFL proposes to be. According to the 15 November results, the importance of such an expansion will probably become clear. That expansion would certainly include considerable segments of the PDS and the PMDB.

Asked about one of the crucial issues in this transformation, a change in the party label to reflect, not just additions to the PFI, but the effective merger

of trends capable of being harmonized, Chaves provided the key to what could be the great transformation: "Changing the party label will not constitute any impediment."

Emphatically, albeit informally, Aureliano reiterated that the mayoral elections this month will not be decisive, but rather indicative. He does not accept the argument that the PFL will come off as one of the big losers. In his opinion, the liberals have performed very well at the federal and congressional levels. Even in the states, the party has organized and has won followers, bases and benches in the assemblies and municipal chambers. For the first time, it will be facing elections and thus it has everything to gain. The reverse is true of the PMDB, which already holds offices and must hang onto them in order not to lose ground, or of the PDS, which is on its way to disappearing. The important thing is that the country is going through a phase of party definition and reformulation. It needs a great party of the center, a democratic party capable of bringing about structural changes in the economy and in the social area, to express the aspirations of the great majority.

The fact that many Malufists could come to join this new party would be no obstacle, according to Aureliano Chaves, who feels that repentant sinners should not be rebuffed. The basic thing is to evaluate the elections results, see what direction they indicate and, on that basis, seek to improve the party.

The minister of mines and energy rejects any idea of the succession, based on or even as a result of the party reform. He stresses that he is not a candidate for the presidency of the republic, because no one is a candidate on his own. A candidacy can only be launched through very expressive party structures.

Reading between the lines, it is immediately apparent that the strategy is well advanced to create a great party of the Center, in a position to go head to head with the PMDB in the national elections next year. Oddly enough, both parties will support the Jose Sarney government, competing to see which will most diligently and effectively back the New Republic. Each side will seek greater identification with the president's lines. The new party will attempt to create the impression that the PMDB is on the Left; in reaction, the PMDB will not find it hard to push the idea that the new party is Center-Right.

If an image is worth anything, it would be that, in a first phase, the two parties would be like two soccer teams which, although their shirts and pants are not the same color, take the same side of the field, playing against the other side, double-teamed and obviously trying to monopolize the ball, the tactics and, if possible, the goals.

For lack of players, the declared Left could take the other side of the field, with the small parties covering more territory than their arms and legs can handle. If it happens this way, that would be just fine with the PDT [Democratic Workers Party] and the PT [Workers Party] and their substitutes. They will soon form the real opposition and they will want to present themselves as such for the presidential elections in 1988--if they really come about in 1988.

A few days ago, we published a different vision of the same reality. Minister Antonio Carlos Magalhaes, of the dissident faction of the PDS, used conceptions similar to those of Aureliano Chaves, such as the "center for change" and the importance of creating, by means of broad party reform, a party numerically equal to the PMDB.

It is obvious that Ulysses Guimaraes and his colleagues do not believe in the viability of the Alliance in a new party formed by the PDS and the PFL, much less that PMDB segments would join them. They feel that a sweeping victory by their candidates on 15 November will only show how important it is for the PMDB to remain united, despite doctrinal and political differences. After all, 1986 will be an election year, or rather, a reelection year, and the registered trademark PMDB, as the president of the chamber likes to call it, still catches the most attention in the nation and dominates the market.

6362

CSO: 3342/24

BRAZIL

VOTE ON TAX REFORM, CONSTITUENT ASSEMBLY MAY BE DELAYED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Nov 85 p 2

[Article by Carlos Chagas]

[Text] Until 15 November, don't count of the presence of more than 10 or 20 federal deputies or senators in Brasilia. Yesterday, for example, only eight congressmen could be rounded up to welcome the prime minister of the PRC. They are almost all in their home states, campaigning for their own election or, because of it, devoting their time to taking care of local matters.

Half of them, at most, will be filing back any time soon after 15 November; most of them will prefer to wait until the returns begin to come in and the results are assessed. Those who belong to the parties of the victorious candidates will try to take advantage of the event. They will make public appearances with the new mayors, they will pose for photographs and give interviews about their participation in the campaign.

As a result, there will not be a parliamentary quorum until Monday, 25 November. It happens that on 5 December, a Thursday, the proceedings of the present legislative session will come to an end. Which is to say, a few days before then the senators and deputies will already be arranging to travel with their families for the lengthy summer recess, until February. Congress will actually be functioning from 25 to 29 November. Hence there is little chance for a vote on bills and amendments, including tax reform and the convocation of the Constituent Assembly. There is a great risk that things will be left for next year.

The most serious consequence of the parliamentary inaction generated by the circumstances has nothing to do with these two matters. It is, as Planning Minister Joao Sayad commented yesterday, that the government must have the speediest possible approval of the package of economic-financial measures which are still being worked on--the mechanisms to increase revenues and hence to cement and carry forward the successes of the present economic policy.

The idea is to have these measures ready by 15 November, but not to announce them until afterward, because of the repercussions they could have on the elections. Higher taxes for the middle class, even for the most privileged class or on speculative capital gains, could not help but cause reactions--if they were approved, which is also doubtful. Aside from the short period left for the congress to approve the package, another factor is cause for the government's concern; there is no guarantee that the majority benches would

support such unpopular, if necessary, measures. To vote to increase the taxes of wage earners would inevitably mean some erosion for the deputies and senators on the eve of 1986, when they will be running for reelection, but to vote to increase the taxation on capital gains could also be fatal for them. Or can they do without the favors of the economic powers, the companies and the conglomerates, to meet their campaign expenses, which, by the most optimistic estimates, come to a billion or two cruzeiros? Having increased the taxes on capital, can they afford to hear from an industrialist or a businessman, to whom they have gone for money, that they should seek it from the public coffers, where a significant percentage of the latters' profits have gone?

Thus, the government's problem is twofold, and it is serious. Without the package, the negotiations with the IMF will be more difficult, exacerbated by the obstacles to lowering interest rates and curbing inflation. The favorable direction which economic recovery is taking could be reversed.

We are seeing some concern. The economy has been heating up, exports are still up, interest rates have fallen, inflation has decreased, the once idle capacity of the companies is being put to use, unemployment is down and, insofar as possible, wages have been corrected with replacement. Abroad, the United States has shown signs of a change in strategy, accepting the ideas of the debtors, and the same thing is happening with the IMF and the creditors. However, it all depends on the government's managing to reduce the deficit and not letting the domestic debt go up, since the debt appears to be responsible for the inflation, forcing the government to make money by emitting currency or by constantly issuing notes. Balancing the budget, or the door to balancing the budget, would seem to be through higher taxes, and this is where the economic package, which is still being worked on, comes in. In the view of those responsible for economic policy, it is essential.

But the package might not be approved. Not now and not later. As a result, the optimism is waning. Joao Sayad is not the only one who is troubled. Dilson Funaro shares his concern. If, on one hand, they express satisfaction, emphasizing the dialogue which is taking the form of a pact among the workers, management and the government, and voice their optimism regarding the prospects for renegotiating the foreign debt, on the other hand they do not hide their fears about obtaining the legislative measures that are felt to be necessary. With them, everything will flow along naturally. Without them, no one is guaranteeing anything.

To complicate matters, the relations between the executive branch and the congress are not good. The crisis on the vote for the constitutional amendments to convene the constituent assembly and tax reform is no smaller. In the PMDB [Brazilian Democratic Movement Party] and the PFL [Liberal Front Party] benches, there is still resentment, although the government has been trying to soften the impact of the decision reached last Monday, to give preferential treatment to those who supported the government and to deny favors and benefits to those who opposed the official directives.

It is unthinkable that President Jose Sarney will resort to the decree law and the expiration of the debate period in order to obtain congressional approval of the package, especially because, in the congress itself, a special

committee has just recommended the abolition of these devices inherited from the dictatorship, as part of the immediate restoration of parliamentary prerogatives. [Approval of the package] still appears to be the way out, but there is, at the very least, doubt that there will be time for it this year.

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CSO: 3342/23

BRAZIL

CTA MISSILE PROJECT COULD SAVE \$200 MILLION

Rio de Janeiro O GLOBO in Portuguese 13 Oct 85 p 37

[Text] Brasilia--A project of the Aerospace Technology Center [CTA], which has lain forgotten for 2 years on the shelf of the Rocket Engineering Department, could save the country \$200 million. It is an anti-air missile for air defense, a long-range system, capable of reaching targets over 70 kilometers away, and it could be purchased by the Brazilian Navy.

Currently, there are developed programs in five countries of the world: the PRC, the United States, France, Great Britain and the Soviet Union. Only three of these have any military validity and could be considered as meeting the requirements of modern electronic warfare.

The best of them is the U.S. Navy's Aegis, which is capable of reaching targets at a distance of up to 100 kilometers, with an initial velocity of 6,000 kilometers per hour. It has a solid-fuel, two-stage propulsion system and a radar guidance system. In the first phase of firing, it is guided by radar from the ships and Navy patrol planes. After 20 kilometers, the direction is determined by the missile's computer.

This design is also followed by the British Navy's Sea Dart, which is given preference in the plans of the Brazilian Ministry of the Navy. Instead of a rocket, it uses a type of high-performance jet engine--the so-called reactor state--for its propulsion.

It is thus lighter than the American model, because the jet uses less fuel than the rocket, but it does not perform as well at high altitudes. In its favor is the fact that it was used in the Malvinas, where it was responsible for most of the Argentine planes that were lost.

At the electronic level, it is a generation older than the American program, but it is the only possible acquisition for countries which are not affiliated with NATO and which want to equip themselves with a medium- and long-range missile.

The other technically valid model is the Soviet missile. The nine Kirov-class cruisers and the Kiev-class carriers are equipped with several launchers for this missile, about whose characteristics little is known in the West.

The Brazilian model will not be as fast as the Aegis; its precision will be similar to the British Sea Dart and the cost will be similar to that of the Soviet project, considered the least expensive of the missiles produced by the developed navies. The basis for the long-range antiair missile is the Sonda II rocket. This rocket, used for meteorological research by the National Institute for Space Research, has already been fired over 200 times. American and FRG agencies have already purchased 80 rockets for upper atmospheric research.

The rocket is considered one of the most reliable of the available meteorological research models. NASA has tested them and considers them superior to its own products.

In addition to this guaranteed workability, the Sonda II has a velocity of 7,000 kilometers per hour and a 100-kilometer range. The explosive charge would be as much as 200 kilograms and the guidance system would be similar to that of the Aegis. It would be entirely of national design.

If the Navy General Staff opts for the national program, the first prototype could be launched in 3 years.

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CSO: 3342/24

BRAZIL

AUTO INDUSTRY PRODUCTION, SALES TOP RECORD IN OCTOBER

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Nov 85 p 29

[Text] The automotive industry again broke production and sales records in October. This was explained by the manufacturers as a result of the price control exercised by the government and also an effect of the recovery of the purchasing power of the population and the demand which had been repressed for the last 4 years. The industries produced 112,08 vehicles last month, a figure which has not been topped since September and October 1980, the best period in the history of the nation's automotive industry.

The industries wholesaled 91,715 units in the country in October, almost double the figure for October of last year. This is also the eighth best monthly performance in the history of the nation's assembly lines, achieved only at the peak of sales between 1979 and 1980.

Since the beginning of the year, the factories have already turned out 793,209 units, a 10.7-percent growth over the cumulative figure for the same period last year. In terms of sales to the domestic market, the cumulative total since January is 621,558 units, 11.2 percent higher than the figure reached by October 1984. Looking toward November and December of this year, with only 20 and 15 working days, respectively, Andre Beer, president of ANFAVEA [National Association of Automotive Vehicle Manufacturers], said domestic sales this year will be 10 percent higher than last year. which means a total of 750,000 vehicles sold to dealers.

Damages

Although the market is returning to pre-crisis levels, the businessmen declare that they will have accounting deficits this year or will close the books with "very low return on the invested capital." "The price of cars is 20 to 25 percent below what it should be," declared the ANFAVEA president. "Even the companies which managed to get the best prices on the foreign market are being hurt, if we take the monetary correction into consideration," he added. The balance after monetary correction (corrected value of the assets of the company) is considered profit under the new Corporation Law, of 1979 .

Exports

On the foreign market, the October results were not the best. The companies took in \$160 million, a 23.5-percent decline from September, when the sector

Table: Comparison of Automotive Sales on the Brazilian Domestic Market

<u>Vehicle</u> <u>Company</u>	<u>Domestic Sales</u>				
	1985		1984		
	<u>Oct*</u> <u>A</u>	<u>Sept</u> <u>B</u>	<u>Jan/Oct</u> <u>C</u>	<u>Oct.</u> <u>D</u>	<u>Jan/Oct</u> <u>E</u>
Agrale	62	86	680	46	440
Fiat Auto.	10,006	8,444	68,618	6,119	52,158
Ford	21,077	16,335	138,121	12,247	122,783
General Motors	22,598	19,638	156,347	15,352	141,983
Gurgel	118	123	1,048	88	736
Mercedes-Benz	3,066	2,669	22,090	1,917	19,488
Saab-Scania	566	421	3,400	299	2,766
Toyota	277	253	2,005	304	2,705
Volkswagen	33,653	28,735	227,142	24,894	213,816
Volvo	280	261	1,923	168	1,364
Others	12	4	184	54	538
Total	91,715	76,969	621,558	61,488	558,777

\*Preliminary

<u>Company</u>	<u>Percentage Variation</u>		
	<u>A/B</u>	<u>A/D</u>	<u>C/E</u>
Agrale	27.9	34.8	54.5
Fiat Auto.	18.5	63.5	31.6
Ford	29.0	72.1	12.5
General Motors	15.1	47.2	10.1
Gurgel	(4.1)	34.1	42.4
Mercedes-Benz	14.9	59.9	13.4
Saab-Scana	34.4	89.3	22.9
Toyota	9.5	(8.9)	(25.9)
Volkswagen	17.1	35.2	6.2
Volvo	7.3	66.7	41.0
Others	200.0	(77.8)	(65.8)
Total Sales	19.2	49.2	11.2

broke export records. Although it did not meet expectations, the October figure is high enough to meet the export goal of 250,000 units by the end of the year.

In the expectation of a 5-percent growth in domestic sales next year, the manufacturers think overall production in the sector will return to pre-crisis levels in 1986, surpassing the 1 million units which was common at the end of the last decade.

The level of employment continued to rise, and is now 13 percent higher than it was in October 1984. The automotive industries currently employ 144,146 workers, about 25,000 more than the figure recorded in December 1983. If another 10,500 workers are hired, which could happen by the middle of next year, employment in the sector will reach pre-crisis levels.

BRAZIL

LANDOWNERS TO CREATE PARAMILITARY FORCE TO DEFEND LAND

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Nov 85 p 15

Report by Valderi dos Santos]

[Text] The landowners are going to create a paramilitary force to defend their land from invasion. The first meeting will be today, in Presidente Prudente, and will include retired Army and Military Police officers, who will form a special unit. The information was divulged yesterday by attorney Daniel Schwenck, who thinks the measure could generate a revolution, since the government has committed the sin of omission, failing to take action against the occupations of private land.

According to Schwenck, landowners from several states will go to the meeting. "They are fed up," he stressed, explaining that, given the situation, "they have decided to organize their own security force." In the last 12 days there have been two land invasions in the region of Pontal do Paranapanema alone and there are reports that such action will be repeated every Friday after the closing of the COMAR Forum. "The Sao Paulo State government is fomenting this type of activity," the attorney lamented, in his office on Presidente Wenceslau.

"If the federal government does not encourage the occupations, it is not taking any action against them," he complained. The idea of creating a paramilitary force had already been announced early in 1984, after two estates were occupied and Franco Montoro opened his arms to the landless. Such actions spread to other states, alarming the landowners. Just yesterday, more invaders moved on to the Fazenda Ribeirao, Bonito, in Teodoro Sampaio, which belongs to Antonio Candido de Paula.

More individuals also arrived at the armed encampment at the edge of Highway SP-613, while, on the Southern Plain, thousands of invaders threatened to take over the reserve lands of Morro do Diabo. In the same way, they announced they would slaughter the animals in that 15,000-acre forest and, to justify this likely action, they pointed to the lack of assistance from the state government. This time, the government preferred not to give shelter to the landless.

Next Friday, there are plans to invade the Fazenda Roranela, which belongs to the Vicavi Group, S/A.

The Sao Paulo State Ministry of Finance has already proposed new action to classify [for expropriation] the lands included in the 14th Perimeter of Teodoro Sampaio. The Court of Justice revoked the classification signed in 1957 and used by Franco Montoro in the expropriation of 15,110 hectares of land, where 430 families from Sao Paulo, Mato Grosso do Sul and Parana have been settled. Daniel Schwenck thought it outrageous that the last classification, dated 30 October, did not list the estate of Camargo Correa S/A; Eugenio Montoro, the governor's son, is one of the directors of that company.

In the attorney's opinion, Eugenio's position explained the exemption of that property, which is within the same perimeter and is thus in the same situation as the other landholdings. Schwenck is going to meet with Fabio Luchese, a colleague in Sao Paulo, to make arrangements so that, together, they can contest the classification and denounce its inequities. Schwenck says the climate of tension created in this and several other areas of the country is responsible for the decision to form a paramilitary force following this evening's meeting in the city of Presidente Prudente. Retired police chiefs could also join the unit which will confront the invaders.

6362

CSO: 3342/24

BRAZIL

BRIEFS

SUPersonic PLANE PROJECT--The Brazilian Air Force has already made the decision to develop the supersonic plane project in association with one or more foreign companies, O ESTADO and JORNAL DE TARDE were informed, exclusively, by Brig Gen Octavio Moreira Lima, minister of aeronautics. The minister, who was in Rio on official business, returned to Brasilia yesterday. The supersonic project, which was divulged by ESTADO and JORNAL DE TARDE after an interview with Brig Gen Bertholino Goncalves Netto, then chief of staff of the Air Force, at the War College, was denied by the Rio de Janeiro press, but, according to the minister, it is one of the major objectives of the FAB [Brazilian Air Force]. He said he had made the decision to develop the program in association with foreign industry "to reduce the expense, combining the military interest with the need to practice economy, and thus enabling the FAB to launch the Brazilian supersonic program." As an example, Moreira Lima cited the AMX project, the Italian-Brazilian ground attack plane, which not only gave the FAB and EMBRAER [Brazilian Aeronautics Company] access to high technology, but reduced the costs. The aeronautics minister said the principal foreign aeronautics companies "have already voiced their eagerness to associate with EMBRAER to carry out the supersonic project." Regarding the patrol plane, the AWACS, the minister said there was some interest in the aircraft, but not an immediate interest because it is extremely expensive. [Text] [Sao Paulo O ESTADO DE SAO PAULO In Portuguese 5 Nov 85 p2] 6362

COMPUTERS TO GDR--Paris--The Brazilian industry could supply computers to the University of Berlin, in the GDR. The interest in Brazilian computers was expressed by Joachim Garcha, GDR minister of education, to Helio Guerra, dean of the University of Sao Paulo [USP]. Heeding the recommendation of Foreign Relations Minister Olavo Setubal, that on these visits abroad he should assess the needs in the university-technology area, Dean Helio Guerra observed shortcomings in the computer area at the University of Berlin, unlike the USP, which has bought 2,000 computers from Brazilian companies. Helio Guerra discussed the matter with Joachim Garcha, who asked the dean to represent him and his country in contacts with Brazilian computer firms. In the FRG, Professor Guerra signed an agreement with the University of Tübingen to engage in common projects. According to Guerra, the USP does not want to function as a laboratory for German industry, but would like to increase the academic interchange with German universities, which this agreement will make possible. In France, the dean made several contacts in the university area, aimed at associating the USP with the European academic circles which will take part in Project

Eureka, with which 18 countries are already associated. During President Francois Mitterrand's visit to Brazil, in his conversations with President Sarney, this point was discussed at length. The Brazilian Government is also interested in taking part in Project Eureka, although there are some obstacles of a political nature. Before anything else, the French intend to coordinate the participation of those 18 countries, and only later will open the program to nations which are not a part of the European continent. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Nov 85 p 22] 6362

PURCHASE OF TUCANO PLANES--Sao Jose dos Campos, SP--The Brazilian Aeronautics Company (Embraer) is negotiating the sale of 100 Tucano T-27 planes to the Turkish Government. All day yesterday, a 15-person-group--mostly military--headed by the Turkish Prime Minister Ismed Kya Erden, visited the enterprise to get to know the plane. The Tucano has been leading Embraer's sales since the UK Air Force (RAF) bought 30 units. The Brazilian Air Force (FAB) already has 80 T-27 units. On 18 October, one such plane was sent to the United States for inspection by military technicians. If the result of the inspections is positive, the United States will buy 650 units, for a total of \$1.1 billion, for renewing its training squadron. The market price of each T-27 is \$1.8 million. Besides the United States and Turkey, the Embraer is also awaiting the results of the negotiations it has been holding with the Argentine Government for the sale of 44 Tucano Planes. Another country interested in this plane is the PRC, which intends to purchase 2,000 units. [Text] [Rio de Janeiro O GLOBO in Portuguese 21 Nov 85 p 28 PY] /8918

NARCOTICS SEIZURE--Military police soldiers and Finance Secretariat personnel from Mato Grosso do Sul have managed to seize 500 kg of narcotics on the BR262 highway, near the city of Ribas do Rio Pardo, on the border with Sao Paulo. The drug was found in a truck near the police barricade, and it was estimated to be worth 200 million cruzeiros. These drugs would have reportedly been sold in Sao Paulo. [Text] [Brasilia Domestic Service in Portuguese 2100 GMT 21 Nov 85 PY] /8918

MAYORS VISIT PRC--Starting tomorrow, 13 municipios in Sao Paulo State and 1 in Rio Grande do Sul will be governed for the next 30 days by their vice-mayors. The mayors will be traveling to the PRC on an official mission organized by the Foreign Relations Committee of the Federal Chamber and led by Deputy Sergio Morura (PMDB-AL [Brazilian Democratic Movement Party-Alagoas]). This is the first non-parliamentary group which the chamber has sent abroad. The invitation for the visit, which came from the Chinese Association for International Understanding, was not distributed to deputies and senators, as is usually the case, but was passed on to the mayors of Campinas, Osasco, Piracicaba, Lencois Paulista, Sao Joao da Boa Vista, Sao Jose do Rio Pardo, Itu, Indaiatuba, Botucatu, Barrabonita, Limeira, Matao, Tiete and Pelotas (Rio Grande do Sul), who, the organizers feel, can gather some good experience for their cities on this trip. Most of the mayors will turn their posts over to their legal deputies today, and tomorrow evening they will leave from the Rio de Janeiro International Airport for Beijing, with stopovers in Los Angeles, Tokyo and Hong Kong. During their stay in Beijing, they will be received by government officials and will take part in a cultural program. Then they will learn about alternative projects

for energy, agrarian reform, industry and education, in the capital and in Shanghai and Canton, in a program which should take 16 days. Several mayors are taking along drafts of commercial and technical cooperation protocols which could be signed with the Chinese Government and institutions, in the areas of trade and technological exchange and even joint venture associations. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Sep 95 p 24] 6362

CSO: 3342/24

BRITISH VIRGIN ISLANDS

LABOR MINISTER CRITICIZES OPPOSITION LEADER'S REMARKS

Road Town THE ISLAND SUN in English 5 Oct 85 pp 1, 2

[Text]

On Wednesday, Sept. 25th, Hon. Maduro, Minister for Labour and Natural Resources, addressed the people of the BVI from Radio ZBVI. In his speech Hon. Maduro strongly criticized some statements made by the Leader of the Opposition in a recent interview: "The Leader of the Opposition stated that no work permit fees could be raised unless such is brought to the Legco, and no such step was taken. In other words he stated positively that no work permit fees were raised. Yet, he further stated that the Minister for Labour raised work permit fees because of an incident where someone paid the same fee twice for a work permit," Hon. Maduro said.

Referring to the Leader of the Opposition, Hon. Maduro went on to say that it "is during his time as a Minister he raised and collected (...) the fees without the authority of the Legislature; it is for him (the Leader of the Opposition) to say how he did it and what he did with the money."

The Minister for Labour suggested that the unjust accusations were made by the Leader of the Opposition because of the fear "he may be liable to the paying of a work permit for his foreign accent." In summing up the

topic Hon. Maduro stated that "No work permit fees have been raised since they had been raised by the Stoult administration."

"Because of the Stoult administration there is legislation which may be cited as 'pay a politician for losing an election'; this makes politics to appear as being a racket rather than the representing of people. Because of that piece of legislation one politician who lost in the 1983 general elections was paid a sum of \$56,674.50 and is being paid a monthly pension of \$1,133.50. These are the benefits the Virgin Islands Party under the leadership of the said Leader of the Opposition have secured for themselves. Because of this law, if for any reason the people see it fit to get rid of the now elected members of the Legislature it would cost the Territory by pay to politicians at least a gratuity of \$340,000.00 and a monthly pension of at least \$6,801. This is a part of the sorrow caused by the Stoult administration which has burdened the economy and could cause the Government financial embarrassment," Hon. Maduro said.

In his concluding remarks, Hon. Maduro explained "that the circumstances surrounding work permits (according

to Hon. Stoutt) are causing hardships on expatriate workers ( . . ) the policy pertaining to employment in the BVI is simply that qualified BVIIslanders or Belongers are to be given first preference on employment( . . ). However,in carrying out this policy,care is being taken as far as possible for the policy to have little or no effects on those non-Belongers who have been within the Territory for a considerable period."

/12851  
CSO: 3298/143

BRITISH VIRGIN ISLANDS

ROMNEY BACKS PUERTO RICO STAND ON U.S. IRS ISSUE

Read Town THE ISLAND SUN in English 28 Sep 85 p 1

[Article by Vernon Pickering: "Honorable Romney Endorses P.R.'s Position on Section 936"]

[Text] Reagan's proposal to abolish Section 936 of the U.S. Internal Revenue Code has caused a great deal of concern to the Government of Puerto Rico. Governor Colón and House Speaker Jose R. Jarabo have recently gone to Washington to hold discussions with Treasury Secretary James A. Baker and other officials. Jarabo is firmly convinced that if Section 936 is repealed "plans for expansion and development in the whole Caribbean could be dragged down."

A similar position was taken by our Chief Minister, Hon. Cyril B. Romney, who by chance happened to be in the room where Jarabo was interviewed: "Section 936 and the twin-plant proposal are a golden opportunity for us to benefit now from CBI. While we were among the first signatories of the CBI protocol, we have yet to identify any benefits accru-

ing from it," Hon. Romney said to "The Star" journalists.

Hon. Romney, who was en route to Miami, is a supporter of Puerto Rico's position and has written letters endorsing it to Washington officials. He said he will use the ongoing dialogue between the BVI and Washington to discuss matters concerning CBI and Section 936. "The U.S. Government is very quick to link increases in trade activities as an indication of CBI success. This could be spurious, as those increases would have happened without CBI," he said.

In his closing remarks to the San Juan Daily, Hon. Romney said: "Section 936 absolutely benefits Caribbean nations. Puerto Rico benefits and so do we. It is the basis of Puerto Rico's economy. You take it away and you destroy that basis for development."

/12851  
CSO: 3298/143

DOMINICA

115. IN ST VINCENT, SLAMS CHARLES' GOVERNMENT

Unknown THE VINCENTIAN in English 10 Oct 85

Article by Elvis Ollivierre: "Douglas says it's a 'blow to Democracy'"

Dominica's Parliamentary Opposition Leader and Leader of the Dominica Labour Party Michael Douglas visited St. Vincent last week. He was the guest of the movement for National Unity led by Dr. Ralph Gonsalves. Mr. Douglas spent 3 days in the state.

At a Press Conference held at Dr. Ralph Gonsalves Residence in Frenches on Friday October 11th, Douglas outlined the Opposition's views on the recent curtailment of live Parliamentary Broadcast in Dominica. He described the Eugenia Charles Administration's move to stop the live Broadcast of the proceedings of the House as a "serious blow to the democratic process" in Dominica.

The move was taken following the July 1st election in Dominica this year. Since then the Opposition has walked out of the House of Parliament twice and has been holding public meetings and discussions with Govern-

ment on the issue. The Opposition is to further these discussions on a regional basis. Douglas' visit to St. Vincent was part of that drive.

The Opposition's latest plan is to stage a protest when the Queen visits Dominica later this month. Despite the Ruling Government restrictions on the matter, Douglas said "We do intend to demonstrate without prejudice to what the Commissioner of Police has to say."

Douglas said that with one National Newspaper - The New Chronicle - which he criticised of being supportive of the Charles Administration, and the lone state-owned BBS Radio, there's little or no opportunity for the average Dominican to learn both sides of any issue coming out of the Parliament of that country. He said that in 1974 when the Labour Party was in power a piece of Legislation was passed allowing the proceedings in Parliament to be broadcast live.

DOMINICA

CHARLES, CANA IN ROW OVER ALLEGED 'BOGUS' VOTER POLL

Kinston THE DAILY GLEANER in English

~~Exhibit 7~~ **BRIDGETOWN, Barbados, Oct 27, Cana**

The Caribbean News Agency (Cana) said today that its attempts to contact the authors of a pre-election poll which Dominica's prime minister, Miss Eugenia Charles had dismissed as "bogus" had met with failure.

The agency undertook the task of tracing the authors after Miss Charles complained to the Dominica Media Workers Association about the failure of the Cana correspondent in Dominica to report her statement made at a press conference on June 16, to the effect that the poll published in St Lucia's Crusader newspaper was bogus.

Following is the agency's statement:

"On June 6, the Caribbean News Agency circulated a story which quoted media research associates of Florida, as stating that the Opposition Labour Party held a 25 per cent lead over Miss Charles' Freedom party.

"On June 7, Cana carried another story quoting Miss Charles as saying that the poll was quite wrong.

"At a press conference on June 16, Miss Charles said her investigations revealed that the poll was bogus. Cana did not report this additional comment.

"In a letter dated June 26, 1985 to the Media Workers Association of Dominica, Miss Charles complained that her statement made at the press conference had not been carried by Cana and she questioned whether justice had been served.

"In view of that complaint Cana tried on several occasions without success to contact Research Associates of Tantana Florida by telephone. On October 16 a cable was despatched to the organisation. Up to now there has been no reply.

"The agency also contacted George Odium of the Crusader newspaper in St Lucia which published the original story about the poll. Odium, however, refused to cooperate with our inquiry.

/13/01  
C30: 337/145

ECUADOR

BRIEFS

AMBASSADORS PRESENT CREDENTIALS--The ambassadors of Colombia and Uruguay, Rafael Caicedo and Jorge Perez, respectively presented their credentials last Wednesday to Ecuadoran President Leon Febres Cordero. [Summary] [Quito Voz de los Andes in Spanish 1130 GMT 7 Nov 85 PA] /8918

GOLD EXTRACTION COMPANY FORMED--The first joint company formed by the state and mining cooperatives was established today in Zamora Province 720 km southeast of Quito, for the prospecting, exploration, exploitation, smelting, refinancing, and marketing of metallic and non-metallic minerals from the rich Nambija gold deposit. Nambija, where 6 tons of mineral are extracted yearly through the most rudimentary methods, has a gold reserve of 900 tons. [Text] [Paris AFP in Spanish 1639 GMT 11 Nov 85 PA] /8918

CSO: 3348/216

GRENADA

WORLD BANK TEAM BRIEFED ON ECONOMIC DEVELOPMENT NEEDS

St Georges THE GRENADIAN VOICE in English 26 Oct 85 p 16

Text

DISCUSSIONS have taken place between the Minister of Works, Dr. Keith Mitchell, and a team of visiting World Bank Officials who are in Grenada for the purpose of finding out the role which the Bank can play in the economic development of the island.

The team which includes Mrs. David Yurav Licker and Mr N. Ramchadran who sought the Minister's views on his Ministry's plans for the infrastructural development of Grenada with particular reference to roads, water, and electricity.

Dr. Mitchell gave an overview of his Ministry's plans for the development of proper roads and for putting in place of a proper maintenance system in respect of these roads. He made mention of the need for adequate technology to support and improve his Ministry's ability to implement projects on hand.

The Minister identified some of Grenada's immediate needs such as the strengthening of its infrastructural facilities, the improvement of its industrial base, the development of Agriculture and Tourism and a pro-

per system of transportation to facilitate development in the other areas. Other needs identified by the Minister were the marriage between Agriculture and Tourism, the need for peace and stability within Grenada to attract investors as well as to provide the appropriate

climate for economic growth and the broadening of the tax base to provide incentives to investors and entrepreneurs. Before leaving Grenada, the World Bank team will meet with the Minister of Labour, Dr. Francis Alexis and the Minister of Agriculture and Tourism Mr. George Brizan.

/12851  
CSO: 3298/147

MEXICO

FAILURE TO IMPLEMENT DISASTER ASSISTANCE PLAN CHARGED

Features of Plan Presented

Mexico City PROCESO in Spanish No 465 30 Sep 85 pp 26-28, 31

[Text] Contrary to what was announced officially, the DN-III-E Plan to aid the civilian population in the event of disaster was not implemented on the occasion of the earthquake on Thursday, 19 September.

The government's organization of the assistance and the tasks performed differ from the basic system stipulated in the text of that plan.

DN-III-E bases its operational system on a Central Aid Group headed by the president of the republic and under the direct command of the national defense secretary, as its "executive head."

On the day of the quake, President Miguel de la Madrid himself announced that the plan was in action. Nevertheless, at his decision, the general coordination of the aid was not left in the hands of the national defense secretary nor was the assistance carried out by the military commanders, as the document specifies.

Conversely, the Intersecretarial Aid and Reconstruction Commission was created, headed by the chief of the Federal District Department [DDF], Ramon Aguirre Velazquez. Thus, the National Defense Secretariat (SDN) was left merely as one of the participating, coordinated entities.

Moreover (something surprising), the purpose of the plan is not only to assist those stricken, but also to see to it that the government's effort in that undertaking "is not depreciated" in the view of the national and international public.

This, obviously, was not achieved either.

The DN-III-E Plan, which has always been invoked, as it is now, in cases of disaster, is virtually unknown. A copy of it was given to PROCESO by the Secretariat of National Defense. With its annexes and appendices, it comprises a volume consisting of 188 pages, and it includes topics ranging from its

purposes and its operational organization to concrete procedures, in detail, for aiding the victims.

Its "purposes" are:

1. To diminish or curtail the effects of a disaster in a devastated area, and to establish measures to better train and coordinate the armed forces to intervene directly in the assistance of the population, in fulfillment of the missions established for the armed forces by the organic laws for the Mexican Army and Air Force, and the Navy of Mexico; as well as to coordinate the backing from other departments of public administration and civil agencies.
2. To create among the population an atmosphere of trust in the capacity of our government in general, so that, with its cooperation, the results of a disaster may be limited or reduced.
3. To see to it that our government's effort is not depreciated in the view of the national and international public, and to prevent the exploitation of such situations by individuals or groups interested in prospering from the people's grief for their own benefit.

The Command, to the SDN

Insofar as its organization is concerned, the plan calls for the creation of the Central Aid Group as a top-ranking responsible authority. The "supreme head" of this group is the president of the republic, the "substitute head" is the secretary of interior and the "executive head" is the secretary of national defense.

The group is completed with 21 "executive members," representatives from the Secretariats of Navy, Foreign Relations, Finance, Programming and Budget, Agriculture and Hydraulic Resources, Communications and Transport, Urban Development and Ecology, Public Education and Health, as well as from the Office of the Attorney General of the Republic, the Federal Electricity Commission, CONASUPO [National Company for Basic Commodities], Mexican Railroads, ISSSTE [Institute of Social Security and Services for Government Workers], IMSS [Mexican Social Security Institute], Mexican Petroleum, Red Cross, National Commission on Nuclear Security and Safeguards, National Institute of Nuclear Research, UNAM [National Autonomous University of Mexico] and "other volunteer agencies for social protection."

On a secondary level, there is stipulated the formation of a Zone Aid Group, the "honorary head" of which is the governor of the respective state (in the case of the capital, it would be the chief of the DDF [Federal District Department]), and its "executive head" would be the commander of the pertinent military zone. Its members are also representatives from the entities involved in the Central Group.

It is explained that the Zone Aid Group will be "subordinate to" the Central Group, which "is the coordinating organ on the national level for the activities to assist disaster victims."

The plan specifies as a "mission" assistance to the population and cooperation with its authorities in instances of public need, and, as a "decision," the fact that "the Secretariat of National Defense and its subordinate organs, with the help and cooperation of the members of the Central Aid Group" will provide assistance to the population in the event of a disaster, "using their own resources and those placed at their disposal."

It is noted that the assistance activities include three phases: preventive (in foreseeable instances), immediate during the disaster and immediate after the disaster; and it is emphasized that "the execution of the Aid Plan will be coordinated by the executive head," in other words, the national defense secretary.

At all times under the military command, but in cooperation with the other government entities, it also calls for the formation of Sector and Subsector Aid Groups, as well as committees for: coordination of operation, communications, warning and broadcasting; fire-fighting, detection and marking of dangerous zones; recording and evaluating damage; coordination and liaison for aiding victims; search, rescue and evacuation; preservation of order and legal support; shelter, food and various items; transportation, funeral services, medical assistance, hospitalization and family protection; rehabilitation and public services; and accounting and finance. Next, the concrete activities of each committee are detailed.

The DN-III-E Plan, which is signed by the national defense secretary, Juan Arevalo Gardoqui, and by the national defense chief of staff, Jose Angel Garcia Elizalde, contains 16 annexes.

They include those relating to the information on national disasters, the directory of the members of the Central Aid Group (with their domiciles and private telephone numbers), the legal grounds of the plan itself and the systematic operating procedures.

They also include: check lists for activities and for shelters; evaluations and reports; form for family control; chart for control of victims and of supplies for them; record of cases and statistics; recommendations for the civilian population; and guide for the preparation of emergency plans and maintenance of shelters.

All aspects are covered; all the procedures are detailed. The same holds true for the internal military organization, with its respective commands, groups and liaison, the specifications for installation of toilets in shelters and even the distance that must be kept between each cot and the next. There is a list of equipment, tools, salvage materials, cooking utensils, food preparation, personal hygiene, essential medicines, storage techniques, handling of corpses: everything.

The necessary materials (including the number of units) are specified for sanitation, transmission and transportation work.

#### Lacking Its Own Resources

In its informational section, DN-III-E mentions that "there is lacking a specific budgetary appropriation for the implementation of this plan and those stemming from it, using for this purpose the funds contributed by each department of public administration and private agencies which are associated with the aid groups."

It is also explained that, in the event that a disaster occurs, the aid provided includes emergency measures for immediate implementation, but that the complete rehabilitation is left in the hands of other agencies with specific responsibility for assisting the victims.

Some interesting definitions are included:

Disasters "are unfortunate incidents (which) create a situation in which the pattern of daily life is suddenly interrupted, forcing part or all of the population of a locality into helplessness and suffering."

Emergency situation: "That caused by a disaster brought on by natural phenomena or by man."

Magnitude of a disaster: "It may be assessed from: the number of human beings and animals killed or injured; the disorganization of public services; the destruction of private or public property; the spread of disease; and the disorganization of normal activities."

For purposes of this plan, it is claimed that an emergency situation is considered to exist "when the normal resources of the population of the stricken region are not sufficient and it is necessary to resort to local national and, possibly (following a decision by the high command and approval from the supreme command), international emergency measures, to provide assistance and public health services."

The latter appear categorized, examined and detailed in the informational annex on national disasters. It is noted that there are three principal types of the latter: hydrometeorological (storms, cyclones, hurricanes, floods, snowstorms); geological (avalanches, earthquakes, volcanic eruptions); and accidents (failures in dams, building and tunnels; explosions, fires, derailments, and toxic or radioactive substances out of control).

One section is devoted to earthquakes. They are categorized, based on their magnitude, into: light, strong, violent and catastrophic. And it is reported that, since the national territory is located on a volcanic belt that surrounds the world, it is currently recording 11 percent of the world's seismic activity. To date, 404 epicenters have been determined, and an average of three tremors per day are being recorded.

According to DN-III-E, the regions with the greatest seismic activity in the country include the states of Colima, Michoacan, Guerrero, Morelos, Oaxaca, Veracruz, Chiapas, Mexico and Puebla, the Federal District and southern Jalisco.

Nevertheless, it contains a section on the "critical areas" of the national territory from a seismic standpoint, and does not mention the Federal District in it.

According to the plan, "one of the features of earthquakes" lies in the fact that they occur "unpredictably," and hence it is impossible to adopt any prior emergency measure.

"The loss of human lives is increased because the phenomena of this type cause a psychological state of panic among the residents. This condition is experienced at the beginning of the phenomenon and, in some instances, can be heightened during its course, unless it is possible to control this condition and reduce the aforementioned effects through suitable organization and education of the residents of the leading demographic centers in critical areas."

The plan also claims that, in villages, the effects of the earthquake "are shown physically by the total or partial destruction of a large number of public and private buildings, contamination of the area due to breakage in sewage drains or pipes, causing infectious diseases among the population, a stoppage of public services and the obstruction of both internal and external communications routes."

All this is covered in the plan for the operations in case of disaster: from the mere rescue work to the provision of food to the victims.

In fact, there is a special annex devoted to "the systematic procedure for operating CONASUPO's supplies." It includes the transfer of mobile kitchens, the formation of supply committees and the supply operations per se.

For example, the latter include: formation and distribution of grocery stores, the preparation of rations, the provision of hot rations, the distribution of cardboard sheets, bunk mattresses and quilts, and the distribution of empty bags.

Nor does the plan overlook the "protection and moral support of the family of the military man during his temporary absence due to service requirements in cases of emergency."

Among other observations, it recalls that the knowledge that the military man's family is protected in case of emergency" increases the output in the service that he is performing." Thus, "the imagination and good judgment that the commanders typically possess will raise the morale of their troops with the action that is being taken for the benefit of the latter's families."

Well, it is a nice plan.

Defense Secretary Interviewed

Mexico City PROCESO in Spanish No 465 30 Sep 85 pp 26-27

[Text] Gen Juan Arevalo Gardoqui, secretary of national defense, said that, in the assistance effort being carried out in connection with the earthquake which struck the nation's capital, "we members of the army have been in cooperation with the chief of the Federal District Department, performing the missions assigned to us by the president of the republic."

When interviewed by PROCESO, the military man explained: "The army's action to take charge of the problem was immediate, but as volunteers and aid from different departments and from abroad started to appear, it was decided to engage in work within its authority, at all times in cooperation with the DDF and the governments of the states in the interior section of the country."

Arevalo Gardoqui also reported that, out of every 100 soldiers participating in the operations, only 15 are armed and have vigilance tasks assigned to them. He said: "The rest are carrying tools and providing labor."

The national defense secretary submitted his answers to the questions asked of him verbally in his office, in writing. This is the interview:

[Question] What has the army's activity in this disaster been?

[Answer] Immediately after the quake, the execution of the following activities was ordered: the CG [General Headquarters] of the First Military Zone and the emergency task force that is always available at the Div Gen Alvaro Obregon Military Camp were alerted; air reconnaissance was started with five helicopters to detect the damaged areas; at the same time, 600 motorcycles were deployed throughout the entire city, which made it possible to immediately direct the troops' effort toward the critically damaged areas.

Simultaneously, the areas worst hit were cordoned off to protect the civilian population, save lives and prevent acts of looting. At the same time, military ambulances were deployed with teams of physicians and a mobile surgical hospital. The Central Military Hospital was ordered to make 150 beds available and to receive all those who showed up and who were evacuated to that facility.

The deployment was started in the stricken areas with the use of motorcycles, military vehicles and personnel on foot, and the work areas were found. Only 15 percent of the personnel were armed, and the rest had work tools to rescue people in the collapsed buildings.

In addition, all the available heavy machinery (rear excavators, retroexcavators, cranes, dump trucks, etc.) was immediately sent to where it was requested. The military transmissions system, using radiotelegraphy, immediately compensated for the lack of communication using other means.

An assessment was made of damage by the military engineers group. Personnel were sent to the airport to unload the first airplanes which arrived with

aid from other countries. The Acuario Plan tanks were deployed to carry drinking water to the sites where it was needed most. An immediate report was provided to the citizen president of the republic and to all the federal entities.

Initially, the personnel deployed totaled 3,857; at present (Thursday, 26 September), there are 9,357 members of the military deployed to the critical areas.

[Question] What is the purpose of the DN-III-E Plan?

[Answer] At the most critical times of the disaster, the armed forces immediately assist in mitigating or limiting the effects on the population, establishing the first measures for order and organization, and promptly starting the necessary work to save lives and restore normal conditions insofar as possible.

[Question] Do the military personnel who are detailed also have orders to start working with the volunteers?

[Answer] Of course. Only 15 percent of the soldiers are armed; the rest are carrying tools and providing labor. The paratroopers and engineers have distinguished themselves in these activities. You will see them working, without having lost the original impetus.

[Question] Does the army have specialized equipment for such situations?

[Answer] Included among the activities for the DN-III-E Plan are assistance teams based on machinery, engineers and individual trench-digging tools. In a country such as ours, no machinery can be kept strictly on hand for these situations. It had to be brought from other locations, where that machinery is being operated on various projects.

[Question] Mr Secretary, why, in this instance, didn't the army take charge of the problem directly, as has occurred in the case of Chichonal, in floods and in other disasters?

[Answer] As I have already told you, the army's action to take charge of the problem was immediate, but as volunteers and aid started coming from different departments and from abroad, the army began performing work within its authority, at all times in cooperation with the DDF and the state governments.

[Question] Is all the army's available heavy equipment operating now?

[Answer] From the beginning, all available facilities were deployed.

[Question] Are the army's communications being operated independently?

[Answer] They are operating for the army and the air force, concurrently with those of the Secretariat of Communications. Hence, it was possible to maintain constant communication with the entire republic, through the military zone headquarters.

[Question] In a situation such as the one that occurred, are the military forces sufficient to cope with the necessities, without the presence of volunteers?

[Answer] In this concrete instance, the people's presence has been exemplary, and, moreover, praiseworthy; and the participation of volunteers will always be desirable and necessary. In this way, the operational deployment ordered by this secretariat throughout the entire republic is made possible.

[Question] There have been complaints of excessive authority on the part of members of the armed forces. Is this true?

[Answer] The very nature and discipline of the soldiers may possibly have annoyed the citizens, although they were displayed with the best intentions of cooperating. But the fundamental goal is not to allow more victims and to prevent looting. At this point, when the evacuated people realize that their belongings are safe, they have understood the purpose of the cordoning. Furthermore, the identified individuals who wish to leave and enter may do so without any trouble.

[Question] Have there been any arrests for acts of looting?

[Answer] It is not the army's duty to make this kind of arrest; but if they occur, those responsible will be turned over to the pertinent civilian authorities. Moreover, in the collapsed buildings in which the rescue work is being done, some valuables have been found, which have been received in this secretariat for safekeeping at the order of the honorable president. These goods are being returned to their owners, and the honorable president has given me orders concerning those which have not been claimed.

[Question] Has there been a lack of coordination in the assistance efforts?

[Answer] Considering the great magnitude of the disaster, at first there was confusion among those located in the damaged area. In addition, persons with many purposes, ranging from those who were really in the volunteer plan to cooperate to those who were inquisitive, immediately took action.

The coordination has been achieved, as the population itself realized the way in which it should cooperate, depending on the situation. For example, there are buildings which everyone cannot enter to work, because they could collapse. There are people who want the work done faster because they believe that their relatives are alive. This has caused discussions and confusion, but there is no lack of coordination.

[Question] In your opinion, have mistakes been made in the assistance efforts?

[Answer] Mistakes can happen in all activities of this type; but I think that there has been very good judgment and great success. Rather than mistakes, at the outset there was a lack of specialized facilities; but as they were procured, good coordination and efficiency have been achieved.

[Question] In this instance, are the members of the army who are working in the damaged areas under the command of the city's mayor?

[Answer] I would like to point out to you that, immediately after the first action taken by the army to implement the DN-III-E Plan, the honorable president of the republic called a cabinet meeting at which a report was made on what had happened in the metropolitan area, as well as in the interior section of the republic; and an order was issued to immediately form an inter-secretarial commission to coordinate all the activities.

In this way, the secretary of interior was given responsibility for coordinating on the national level, and the mayor of the city was assigned for the metropolitan area. We members of the army have been coooperating with the chief of the DF Department, performing the missions assigned to us by the citizen president of the republic.

2909  
CSO: 8148/0175

MEXICO

VARIOUS FACETS OF LEGAL, ILLEGAL MIGRANT PRESENCE NOTED

Central Americans Detained

Mexico City EXCELSIOR in Spanish 29 Aug 85, STATES section p 2

[Text] Monterrey, Nuevo Leon, 28 August.-Six Central Americans without papers were arrested today by agents of the state Public Safety and the Interior Secretariat during a series of raids carried out in various areas of the city with the objective of reducing crime and the flow of illegal immigrants to the United States.

This was announced by Francisco Gonzalez, subdelegate of the Federal Immigration Services Office, who said that the operation will "continue for as long as necessary" and that it was launched following an incident, last week, where a Salvadoran had raped and murdered 3-year old Veronica Tecla Castillo in the yards of the Mexican National Railways in this town.

He said that the men arrested were Oscar Valdez Cabrera, Gustavo Herrera and Isidro Jesus Figueroa Zela, all three citizens of Honduras; Scot Charli Ovel from the United States, Jose Roberto Reyes Palacios from Nicaragua and Salvador, Israel Barona from Salvador.

Salvadorans Deported

Mexico City EXCELSIOR in Spanish 30 Aug 85 p 38-A

[Article by Jaime Duran]

[Text] Twenty-five Salvadorans, who had entered the country without visas and were planning to stay and try their luck in the United States, were deported last night to their own country. The Immigration Services Office of the Interior Secretariat reports that the Salvadorans came as tourists in a flight of TACA International Airways [Central American Air Transport] but their papers were not in order.

Some of the Salvadorans said that they were trying to escape from the serious situation of terrorism prevailing in their country and because there is little chance of finding a job there. "We are hard-working people and we are only trying to find jobs to support our families who are hungry and live in poverty," said a modest Salvadoran mechanic called Jose Rodriguez.

The group of Central Americans said that some of its members were trying to find work in Mexico and that they were going to take a chance and try to enter the United States as illegals because, they said, their country was "hell" and nobody could live there and even less work.

Two of them said that they were detained and subjected to an investigation by the Federal Security Directorate and they complained that "the Mexican police took from them and stole more than \$1,000 and other belongings."

Sad, despondent and obviously annoyed, most of them said that they were going to complain to the Central American Commission on Human Rights about the despoiling and theft. They were sent back to San Salvador in a TACA flight.

#### Migrant Minimum Wage Talks

Mexico City EXCELSIOR in Spanish 4 Sept 85 p 5-A

[Article by EXCELSIOR correspondent Jose Valderrama]

[Text] Tapachula, Chiapas, 3 September.—Eduardo Melgar Delgado, the Guatemalan consul in the Mexican border town of Hidalgo, said here that his country was negotiating with the Mexican Government the question of setting a minimum wage for Guatemalan braceros who are "exploited in the coffee plantations of Chiapas."

He said that the talks had already reached an advanced stage and that the wages which the plantations will be required to pay amount to 860 pesos and that only properly hired migrant workers will be allowed to work in those plantations. The consul said that at present those braceros are working long hours and, in many cases, their daily wages are only 400 to 500 pesos.

Eduardo Melgar Delgado stated that the measures can benefit local Mexican workers who are likely to get higher wages than the Guatemalans.

He also told the reporter that this measure will only benefit those who work in the coffee or sugarcane plantations.

No figures have been established for the number of Guatemalan workers who come to the plantations of the Soconusco Region but over the years their number reaches into the dozens of thousands.

The consul spoke of "humanitarian reasons" when he mentioned the negotiations with Mexico.

Apart from the dozens of thousand of braceros entering Mexico, there are close to 50,000 Guatemalan refugees who came to escape from persecution and violence in their country.

Melgar Delgado said that three Mexican experts are coming to this border area soon to conduct "further studies" to establish that minimum wage and the legal hiring method for braceros coming from the country on the south.

### Insalubrious Detention of Illegals

Mexico City EXCELSIOR in Spanish 10 Sep 85, STATES section p 3

[Article by EXCELSIOR correspondent Joaquin Paredes]

[Text] La Presa, Northern Baja California, 9 September.- Entire families from Central America who tried to enter the United States illegally by crossing the border at this point, are being detained in small insalubrious cells of the police post in this suburb of Tijuana by agents of the Directorate of Immigration Services of the Interior Secretariat.

Investigations conducted by this correspondent have confirmed the fact that even children, who were deported from the United States, are being held here.

Surveys, confirmed by Jesus Diaz Escobar--the Mexican consul in San Diego, California--indicate that the number of illegals in the United States stands at just over 4 million.

Jorge Bustamante, director of the Center for Northern Mexico Border Studies, said that 8 of every 100 illegals are Central Americans.

That being the case, 320,000 Central Americans are deported every year from the United States but before returning to their countries they are victims of extorsion and blackmail at the hands of inspectors of the Mexican Immigration Services who not only take their dollars but force them to remain in authentic dungeons comparable to the ones used in the dark ages of the Inquisition.

According to Bernardo Gonzalez Nava, divisional chief inspector of the Mexican Immigration Services, the cells cannot be upgraded because they do not have sufficient budget allocations but, under the terms of the General Population Law, the illegals must remain under detention until the Federal Public Prosecutor looks into the case of every person without papers and determines the geographical point where they entered the country. When we attempted to interview one of the Central American deportees, we were prevented from doing so by a second-lieutenant of the municipal police called Zabala Prado. He told us in a firm tone of voice that the aliens "were at the disposal of the Secretariat of Interior!"

#### Effects of Overcrowding

However, the 35 persons detained are beginning to feel the effects of the overcrowding which is made worse by the authorities' passiveness in the matter of deciding their legal situation. There is the specific case of a child who became ill as a result of the overcrowding and had to be treated by the Red Cross.

Nobody among the three dozen detainees wanted to disclose his name. Almost all of them are Guatemalans and, from what they say, only 10 had entered Mexico illegally. Some were not even able to cross the U.S. border since they were arrested at the local airport.

There is the pathetic case of a woman and her three sons who tried to cross into the United States through the Emiliano Zapata Canyon where she was eventually arrested by U.S. immigration agents and deported the following morning. The woman's three children--age 8, 4 and 2--are suffering from severe intestinal infections. The detainees complain about inadequate food since they are only given bread, milk and water. No consular authority has shown any concern over their fate.

A Central American man without papers accused the Mexican immigration officers of taking \$500 from him which meant that he was unable to buy food and had not had anything to eat for almost 48 hours.

It is a heartbreaking situation. Thousands of illegals are treated in an inhuman way in this country but, as claimed by the municipal authorities, they are the responsibility of the Federal Government and we are only letting them in our jails.

#### birth certificate Fraud Charged

MEXICO CITY (UPI) in Spanish 12 Sept 85, STATES section p 3

(text) Tijuana, Baja California, Mexico, 11 September.— Five employees of this town's Civil Registry Office have been charged with forging birth certificates and selling them for 250,000 pesos to Central American and Spanish citizens who would then be able to obtain Mexican citizenship.

Julia Barrios Velasco, the second highest official in the Civil Registry, reported this fraud to the State Attorney's Office where she lodged a criminal certificate No. 1818-85.

Frida Manzo Mucino, of the Public Prosecutor's Office, issued orders for the arrest of the five employees involved in the fraud and whose names have not been released.

Text 1757Z  
CSD: 3118/12

MEXICO

CHIAPAS: CIOAC LEGAL COUNSEL MURDERED IN COMITAN

Alleged Guilty Parties Identified

Mexico City EXCELSIOR in Spanish 6 Oct 85 STATES section p 6

[Article by Leticia Hernandez]

[Text] Comitan, Chiapas, 5 Oct--The legal counsel of the Independent Central Organization of Agricultural Workers and Peasants (CIOAC), Abdulio Galvez, was shot to death at his home last night, Manuel Lemus Corchenko, leader of the state committee of the Unified Socialist Party of Mexico (PSUM), announced today.

Individuals identified as active militants of the League of Agricultural Communities and Farm Workers Unions are the authors of the crime, Lemus Corchenko said, while demanding that the guilty parties be punished. State Attorney Luciano Rosales Tirado took personal responsibility for the investigation.

A vigil for the farm workers' counsel will be held tonight in Motozintla. The murderers went to the home of the victim, located in downtown Comitan, broke in and killed him at about 1700 hours as his wife and young daughter watched helplessly.

Some 24 hours later, the State Government has still not issued its official version of the events. The leader of the PSUM said that the apparent motive for the crime was an act of vengeance and reprisals. Secrecy surrounds the investigation of the murder of the CIOAC legal counsel, who had enemies among local caciques.

Immediate Investigation

Governor Absalon Castellanos Dominguez tonight ordered the state attorney general, Luciano Rosales Tirado, to coordinate investigations making it possible to shed light on the killing of the "leader of the Unified Socialist Party of Mexico" in the Comitan region, Andulio Galvez Velazquez.

In a bulletin, the Social Communications Directorate of the State Government reported that the murder of the PSUM leader occurred at 1900 hours yesterday.

In inquiry No 467-85 initiated by the State Attorney General's Office, it is stated that the victim was attacked as he was leaving his Coffee Growers Union office located on 1st and 5th Calle Sur Oriente, downtown.

Governor Accused

Mexico City UNOMASUNO in Spanish 6 Oct 85 p 12

[Text] The Independent Central Organization of Agricultural Workers and Peasants (CIOAC) has blamed the governor of Chiapas, Absalon Castellanos Dominguez, for the murder of Andulio Galvez, member of that organization's state committee and manager of Branch 21 of UNCAFAECSA, well known for his fight against the caciques and pistoleros paid by landowners.

The CIOAC asked for an investigation of the crime committed 2 days ago at the door of Galvez' office, where four individuals, riding in a green Volkswagen, shot him at point blank range.

The CIOAC Executive Committee noted that from a very early age, Galvez had fought for democracy, as a result of which his action in behalf of justice pitted him against the reactionary and repressive policies of the government of Chiapas when he condemned the excesses of the state authorities, caciques and landowners, endeavoring to gain the liberty of farmers suffering from repression.

"The National Executive Committee of the CIOAC, in condemning and publicly denouncing this new crime in Chiapas, lodges a most vigorous protest and directly blames Governor Absalon Castellanos Dominguez and his administration for the crime," it said.

The incident has been considered as proof that in Chiapas, there is a lack of respect for individual guarantees, as a result of which it asked that federal authorities shed light on the events and punish the intellectual and material authors.

11,464  
CSO: 3248/55

MEXICO

BRIEFS

SICARTSA OPERATION PROBLEMS--Guadalajara, Jalisco, 6 Oct--Imported machinery worth \$2 billion is paralyzed with the suspension of project No 2 of the Lazaro Cardenas-Las Truchas Steel Complex (SICARTSA), the presidents of the foundry companies of Saltillo, Monterrey, the Federal District and this city, Jose Antonio Rabago, Juan Basulto, Ernesto Alvarez and Sergio Vazquez, have announced. The four indicated that it is necessary to start up the project "immediately" in order to prevent the costly equipment from turning into scrap very rapidly. They added that given the scarcity of foreign exchange in order to get the SICARTSA project going, the viable option is to seek out foreign investments that would be in accordance with the pertinent law. They noted that some 40 billion pesos leave the country annually due to the shortage of coal required by the smelting industry. The four added that national foundries require an average of 100,000 tons of coke a year and only 10 percent of that amount is available in the country, meaning that the rest has to be imported. Finally, they said that the technology exists to increase national coal production and thus reduce imports, thus checking the drain of foreign exchange so urgently needed by the country at the present time.

[Text] [Mexico City EXCELSIOR in Spanish 7 Oct 85 STATES section p 4] 11,464

CSO: 3248/55

PARAGUAY

COLUMNIST HINTS LABOR LEADER BEING MANIPULATED

PY191715 Asuncion PATRIA in Spanish 19 Nov 85 p 24

[Commentary by Poncho Pyta: "Question Without Answer"]

[Text] The question we raised some time ago remains unanswered. Who is behind Marcelino Corazon Medina? This is an interesting question because a complete answer to it would reveal the tone and the course of the political struggle in our country. According to information we have, this gentleman, who presents himself as a peasant leader is nothing of the sort, he only pretends to be one, perhaps driven by a desire to be the leader of some group and gain publicity. We have said before that all the pieces of information we have about him are identical. He never cultivated anything, not even a head of cabbage. Once upon a time, he owned a plot of land that was awarded to him by the Rural Welfare Institute. Apparently, he then mortgaged the plot to buy himself a car and travel to Buenos Aires. He proposed to a friend--who knows him very well because they both were born in Caaguazu--the creation of unions of Paraguayan workers in Buenos Aires to defend the Government of Paraguay, for which he would contact the national government to obtain dollars. His friend did not pay him much attention, because the proposal sounded crazy and wild.

Marcelino Corazon Medina then told his friend: "I will go to see other people and I will do something...." There he was with his idea of becoming a leader. After what has happened, the following questions have a specific connotation and sound more consistent: Who is behind this false peasant leader? Who finances his activities, and who has paid, pays, and will pay his expenses? Could it be the Committee of Churches? Could it be a group of politicians who want to distort reality and are enemies of the peace in which the country lives? Who could it be? The day after we wrote our first column on him, Marcelino Corazon Medina gave some answers to a newspaper. He confessed that some of the information we made public was correct. But he kept silent about other things we have said because they were not favorable for his image as "grassroots leader," as anybody can be called nowadays!

Some friends, a North American, who is a high-level diplomat, told us that advising peasants not to plant cotton is not a crime! Those who say it is seem to believe that the foreign reserves resulting from our exports deposited in the vaults in the Central Bank can be maintained by injecting air or by selling hogs or wild fruits!

/8918

CSO: 3348/218

PARAGUAY

## GOVERNMENT GRANTS OIL EXPLORATION RIGHTS IN EASTERN REGION

Asuncion ULTIMA HORA in Spanish 19 Oct 85 p 16

[Article by Efrain Enriquez Gamon: "Oil in the Eastern Region?"]

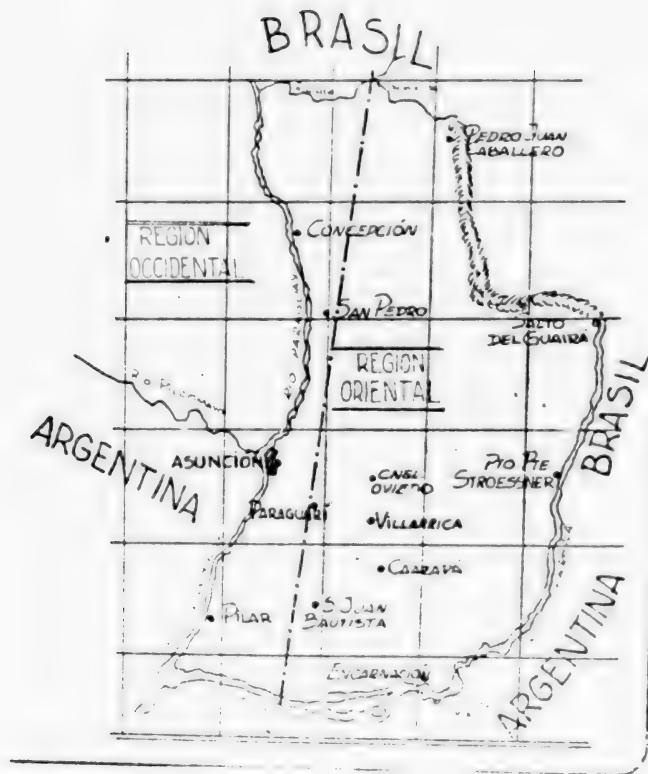
[Text] By Decree No. 11.909 of 25 September 1985, the national government authorized the transfer from one enterprise to another of the concession granted last year for oil exploration in an extensive part of the Eastern Region of the country.

On 9 October 1985, an EFE Agency cable from Houston, Texas, reported that a U.S. enterprise was preparing to begin oil exploration in southeastern Paraguay near the Brazilian border. The objective is to identify potential deposits of crude oil and gas in the Parana Basin. According to the cable, the concessionary firm is named "Adams Resources and Company Inc." It added that the exploratory work will be carried out in an area of 4 million hectares where the enterprise obtained 80 percent of the rights. The remaining 20 percent was retained by the multinational "Mobil Oil" which had received the concession for that area from its merger with "Superior Oil Company."

Past concessions or official authorizations granted to different enterprises to prospect for oil in Paraguay were limited to the Western Region or Chaco. The respective areas and, naturally, the particular conditions for exploration and eventual formal development of potential deposits were determined individually for each case.

The novelty of the recent concession is precisely that the zone to "be explored" now includes the Eastern Region of the country. Poking around, we found an old document dated 25 July 1944 in which the representative of Standard Oil Co., through the West India Oil Co., its commercial branch, presented the Paraguayan Government a proposal to prospect for oil in "a vast area of national territory." It proposed a strip of land that began at the city of Bella Vista on the northern border with Brazil and continued in a straight line to where the Yabebyry River empties into the Parana, including all the territory east to the Brazilian and Argentine borders. (See map.)

Due to its historic interest, we transcribed the substantive part of the bases and conditions suggested by Standard Oil Co. in that document:



"1. Authorization for a year to do superficial oil prospecting in national territory in accord with Article 10 of Decree Law No. 1755 in an area east of a straight north-south line drawn from the city of Bella Vista to where the Yabebyry River empties into the Parana, ending at the border with Brazil and Argentina. That work will consist of topographical reliefs and geological studies designed to locate possible oil deposits with the appropriate instruments and equipment. It will begin within 3 months of authorization."

"3. A month before the term expires, the enterprise can opt to continue the prospecting for an additional year in half the area described in Article 1. During that new term, it will have the exclusive right to request permission to explore in that reduced area."

"5. The enterprise must allow state inspectors and technicians to inspect its work. It will also report on its work to the Ministry of Public Works and Colonization."

"7. The enterprise can propose to the Executive Branch the formation of a joint company with the state to explore and develop oil deposits within the prospecting zone."

as transmitted only to individuals who are related to this matter. Moreover, we did not obtain information on the oil fields during this work which makes it difficult, the program was started in the aftermath of World War II and there were no economic considerations.

However, that background information is an important prospecting verify and is subject of all exploration work in our country. It substantiates the interest in which the basic oil reserves must be based in reality. An approximate data on the size of oil fields in the national budget. We can suppose that in the first place, the government never engaged in business or adventure with oil fields and oil wells. Initiation of oil exploration probably. The most sensible and realistic assumption is that geological and seismic studies have determined a potential of oil fields in the areas mentioned. This is well as in China, where the first geological discovery of oil in the area, along with electricity, became the main factor for future development.

#### REFERENCES

Paraguay

## SIGNIFICANCE OF ITAIPU HYDROELECTRIC ENERGY VIEWED

Asuncion ULTIMA HORA in Spanish 19 Oct 85 pp 8-9

[Article by engineer Ricardo Canese: "More Valuable Energy Source Than Oil"]

[Text] At the recent ceremony held on the Paraguayan-Brazilian border when the third generating unit at Itaipu was started up, it became obvious--if there were any doubts--that the energy from this hydroelectric powerplant is Paraguay's main natural resource.

Now Itaipu can generate 2,100 MW. The maximum consumption of the entire ANA [National Electric Power Administration] network is barely 10 percent of that amount. By the end of the year, the fourth unit will be in operation which will make it possible to generate 3,600 MW.

If these units operated for a year generating 80 percent of their estimated power, Itaipu could generate practically 20,000 GWh in 1986--that is, more than all the paralyzed Yacyreta project could generate. Paraguay has a demand of little more than 1,500 GWh per year. (One GWh equals 1 million kWh.) Therefore, Itaipu will be able to generate approximately 20 times the entire electrical demand of Paraguay in 1986.

Once Itaipu is finished, the 12,600 MW installed (1 MW is equal to 1,000 kw) will make it possible to generate an average of 72,000 GWh per year which represents almost twice the entire electrical demand of Argentina, 40 percent of the current electrical demand of Brazil and 60 times the Paraguayan electrical demand.

The most interesting part is that Itaipu will provide renewable energy which will not run out.

Therefore, Itaipu is much more valuable than the largest oil deposit because the latter can run out--or, rather, must run out--some day. However, if well maintained, Itaipu will generate energy inexhaustibly.

Drilling is now being stepped up in the search for "black gold" in Chaco. There is special hope for the drilling being carried out in the area across from Palmar Largo where Argentina is extracting some 5,000 barrels of crude oil per day. (Barrels per day will be abbreviated by its initials, bpd.)

It is likely that, with luck, a deposit will be discovered there that will permit Paraguay to extract a similar quantity of oil.

The value of this energy would be \$51 million, assuming a price of \$28 per barrel. According to the contract, 32 percent of the crude oil extracted belongs to Paraguay--that is, some 1,600 bpd or some \$16 million per year.

Now, how would a good deposit such as we assume would be found (5,000 bpd) compare to the energy at Itaipu? Which of the two energy sources would be more important for Paraguay?

To answer this question, we must find an equivalence between hydroelectric energy and oil.

According to the Brazilian Ministry of Mines and Energy, 1 Gwh (1 million kWh) is equal to 290 equivalent tons of oil (tep).

Making the corresponding conversions, Itaipu is equivalent to an inexhaustible oil well that could produce 416,600 barrels per day (bpd). The Paraguayan part of Itaipu would equal a well producing 208,800 bpd.

Keeping in mind the international price of crude oil of about \$28 per barrel, the value of Paraguay's energy from Itaipu, expressed in equivalent terms, would be \$2,134,000,000 per year.

As can be seen, there is a big difference between an eventual oil well in Chaco that starts producing at the rate of 5,000 bpd and the Paraguayan energy from Itaipu that can produce an equivalent of 208,800 bpd--about 40 times more.

The other difference already pointed out is that while every oil well runs out, no matter how good it is, the waters of the Parana River will continue flowing for centuries and centuries.

Without neglecting the development of other resources like the hydrocarbon deposits, all Paraguay should ask the important question of how to take the best advantage of the immense and inexhaustible energy of Itaipu. This will only be possible by combining widespread use of electricity in the countryside, the agricultural industries and transportation and the export of surplus electrical energy at a fair price--renegotiation of the terms of the treaty--as established by the preceding Foz de Yguazu Act.

7/17

CSO: 3348/153

PARAGUAY

BRIEFS

PEASANT LEADER ARRESTED--Asuncion, 18 Nov (AFP)--The Authentic Radical Liberal Party (PLRA), a Paraguayan opposition party, today reported that a peasant leader has been arrested by military personnel, led by Fifth Infantry Division Commander Jose Roa Benitez. The leader is being held incommunicado. The peasant leader in question, Francisco Ayala, was presiding over a meeting of landless peasants on 15 November in Curuguaty (approximately 550 km northeast of Asuncion) when he was arrested personally by Division Commander Roa, according to militants of the PLRA, which belongs to the National Accord, an opposition coalition that the government does not recognize. The high-ranking military officer went to the peasants' meeting, threatened them very harshly and warned them that all the communists that run around asking for land will be jailed and punished. [Text] [Paris AFP in Spanish 0345 GMT 19 Nov 85 PY] /8918

OPPOSITION PEASANT LEADER RELEASED--Francisco Ayala, chairman of the Authentic Radical Liberal Party (PLRA) committee of Curuguaty, has been released. Ayala had been detained by personnel of the Curuguaty-based 5th Infantry Division. According to members of the PLRA Executive Board, Ayala was released on 18 November. PLRA Attorney Felino Amarilla on 16 November submitted a habeas corpus petition on behalf of Ayala, who was released on 18 November without being informed of what had prompted his detention. It has been reported that Ayala was detained in his residence while chairing a political meeting that was attended by members of the PLRA National Executive Board. [Text] [Asuncion ULTIMA HORA in Spanish 20 Nov 85 p 10 PY] /8918

STROESSNER'S CANDIDACY APPROVED--General Alfredo Stroessner will again be the Colorado Party candidate for president of the republic for the 1988-1993 constitutional term. This was decided yesterday by the government junta after a meeting to consider the unanimous request by the party grassroots organizations for the reelection of President Stroessner. Presided over by its president, Juan Ramon Chaves, the Colorado Party Board held a meeting yesterday. In compliance with the order of the day, the members of the government junta considered the unanimous request by the grassroots organizations demanding the reelection of President Stroessner for another term, asking that a party convention proclaim this. During the deliberations, Senator Manuel Frutos referred to this point, stressing President Stroessner's personality. He was followed by Ezequiel Gonzalez Alsina who asked the government junta members to give their approval of the candidacy of President Stroessner with a standing ovation, a request with which everyone complied. [Excerpt] [Asuncion EL DIARIO in Spanish 21 Nov 85 p 10 PY] /8918

OPPOSITION YOUTH MEMBER DETAINED--The youth branch of the Febrero Revolutionary Party [PRF] has reported that PRF member Sebastian Maidana was detained on 16 November as he was getting off a "Flecha de Oro" bus at the bus terminal located on Fernando de la Mora and Republica Argentine Avenues. Maidana was detained by personnel of the 15th Police Precinct and was taken to police headquarters, where he has been held incommunicado for the past 6 days [as published] without being informed of the reasons for his detention. In a communique, the PRF youth branch has demanded that Sebastian Maidana be released immediately and that the harassment of opposition members be ended. [Text] [Asuncion ULTIMA HORA in Spanish 20 Nov 85 p 10 PY] /8918

MOPOCO LEADERS RELEASED--The confinement of Enrique Riera and Alejandro Stumpfs, vice presidents of MOPOCO [Colorado Popular Movement], ended and Dr Miguel A. Gonzalez Casabianca, secretary of foreign relations for that political group, was released. All were held for more than 30 days, according to a National Agreement communique. The political coalition issued a pronouncement which stated, among other things: "Renewing its solidarity with these political leaders who suffered arbitrary and illegal restriction of their freedom, National Agreement confirms its intention to continue fighting for the democratization of the country. It exhorts the public authorities to carry out the widespread aspiration of our people to seal the peace and reconciliation of Paraguayan society." The document was signed by Dr Waldino R. Lovera, current head of National Agreement. It was also reported this morning that Marcelino Corazon Medina, a native of Paraguari where he headed a farmers cooperative, is still being held at the Technical Headquarters of the Ministry of Interior. Medina was accused of exhorting the producers not to grow coffee. National Agreement will meet tomorrow to analyze the municipal elections that will be held on Sunday. It will issue a communique on abstention to which all the member parties of the coalition have agreed. [Text] [Asuncion ULTIMA HORA in Spanish 18 Oct 85 p 10] 7717

CSO: 3348/153

PERU

FOUR UNITED LEFT LEADERS POLLED FOR EVALUATION OF BARRANTES

Lima EL NACIONAL in Spanish 23 Oct 85 pp 10-11

[Text] What is the background of the cross-fire in which certain United Left [IU] leaders engaged last week?

This is a topic difficult for the public at large to understand, and complicated even for the politicians who do not militate on the left. In the first place, there was no questioning of President Alfonso Barrantes, in his capacity as such (nor will there be, at the meeting of the National Steering Committee due to resume this afternoon). This was not done either by Javier Diez Canseco, or by Santiago Pedraglio, who attended the meeting held last Friday, on behalf of the Mariateguist Unified Party (PUM). Nor did Alberto Moreno or Jorge Hurtado, representatives of the Union of the Revolutionary Left (UNIR), intervene in that direction. According to certain press assumptions, both organizations are the most hostile adversaries of the IU president. Nevertheless, judging from their official statements, and the public views of their highest-ranking leaders, they have not brought up the designation of ABL [Alfonso Barrantes Lingan] as head of the front for questioning. This does not belie the fact that they disagree with him on concrete features of the front's policy.

Are these differences between certain parties and the president of IU of a personal nature? Secondly, are they only between these organizations and ABL? Third, what is the reason for the disagreements? Obviously, the positions stated by Javier Diez Canseco or Jorge Hurtado are not based on personal impulses, but rather, fundamentally, on the collective judgment of their respective organizations. Both PUM and UNIR have been typified, during recent weeks, by a more aggressive policy toward APRA [American Revolutionary Popular Alliance] than the other parties, and considerably more hostile, of course than that of the IU president. The discussion of these differences of nuance, in the context of the front's concept of a program, is one of the key points in the talks that United Left is starting this week.

The other fundamental point is associated with the organic issue. Why did the CDN [National Steering Committee] fail to meet for such a long time, postponing necessary decisions? There is not a single member of the CDN who does not admit, now, that all of them are to blame. In fact, if, as appears to be true, the IU president was not greatly concerned about the CDN's meeting, why didn't

the parties do so in his absence? It would appear that the explanation is related more to the correlation ploys than to negligence.

In the following paragraphs, leaders of PUM, PCP [Peruvian Communist Party], PSR [Revolutionary Socialist Party] and UNIR respond to three main questions:

1. What should the United Left opposition to the Aprista Party be like? Are there differences on this point among the members of the front's leadership?
2. All the organizations have cited the need for IU to be provided with a collective leadership that is non-existent. How does your party view this type of leadership?
3. What is your organization's assessment of Alfonso Barrantes' performance as president of United Left?

Pedraglio (PUM): 'It Needed to Speak More Clearly'

Santiago Pedraglio, undersecretary general of the Mariategist Unified Party (PUM):

IU's opposition to APRA should have a mass and programmed nature, condensing the proposal for a national, revolutionary, democratic transformation of the country. It is unfeasible for PUM to state that the tactic should be confined to backing what is positive in the new government and opposing what is negative for the people. In fact, this is not a tactic and, if it were, it would be an abstentionist tactic which would take away our political identity, in the face of the plan for capitalist modernization being implemented by APRA.

Hence, the IU opposition should have a program origin based on the proposal of constructing a democratic and socialist Peru. This is an option that is an alternative to the government of Alan Garcia. But it is not on this account that we deny the presence of progressive sectors in the government, and the need for the popular movement to participate in some of the government's initiatives with its own political proposal. It may be in this tactical definition that certain nuances might exist in IU. This is normal; we are in a front wherein each party and movement has no reason to lose its own identity. For PUM, in particular, the main aspect prompting our opposition to the Aprista government is the democratic struggle. Alan Garcia's proposal combines anti-Aprista elements and corporativism (with the cloak of a Social Democratic discourse); whereas, to us, what is essential is the problem of the socialization of politics, the collectivization of power and the leadership of the popular movement. Hence, it is not enough to socialize services. The basic point is democratization of political power.

PUM conceives of IU's collective leadership as the regular operation of its leadership echelons and, in particular, that of the CDN, so as to make its decisions collectively. In this respect, the operation of the CDN has obviously been deficient. If my memory doesn't deceive me, there have been no meetings

for nearly 3 months, despite the fact that a political pronouncement from a force with the degree of responsibility that IU has was indispensable. This fact and, primarily, the lack of a democratic mass organization that would allow for the members' participation, are what produces conditions not only for the dispersion and confusion of the rank and file, but also for misinterpretations and subjectivism among the members of the leadership. In this way, dialogue and the mechanisms for collective decision-making are cut off, turning the steering committee into a strictly individual representative group. When PUM was the acting coordinator, during August, it submitted a proposal for a pronouncement on the Aprista government, and called five meetings, only one of which took place. In this respect, we believe that a national congress, convoked by the next Expanded National Steering Committee session, should elect a new CDN, combining the single front's views with those of the democratic electorate. Finally, we have voiced our concern over the fact that responsibilities as important as the distribution of membership cards, which we were the first to promote, are being carried out without the CDN's leadership; in other words, without collective leadership. This holds true in Piura, where the provincial committees have been bypassed, and despite the fact that there is a formal proposal to undertake the distribution of membership cards, submitted by the National Commission on Organization 3 months ago.

The assessment of the IU president must be made collectively, beginning not only with a critical spirit, but also with a self-critical one. For example, PUM thinks that, as a party, it has not promoted the political organization of the social movement with the proper intensity. It also believes, self-critically, that it needed to speak more clearly about IU's political problems; and this may have given the image that the issue of concern to us is that of individuals. Also, at certain times it has succumbed to abstentionism; and the enormous possibilities for merging the popular movement with IU have not been taken advantage of nor fostered sufficiently. In our view, it is essential for the IU president to pay constant heed to the National Steering Committee, and to head its operation. He should express IU's proposal for a democratic socialism and a national alternative to the Aprista government with absolute clarity.

Brena (UNIR): 'He Has Had Successes and Mistakes As Well'

Rolando Brena Pantoja (president of the Union of the Revolutionary Left):

We think that the opposition should be of a democratic and mass nature, retaining the political independence of the left with respect to the Aprista government. This means realizing that the IU plan is qualitatively different from the Aprista plan; and, therefore, there can be no reconciliation nor confusion between the two. What is involved is demarcating itself from APRA on the basis of programs, noting that APRA does not question capitalism as such, nor seek a break with the monopolies; but rather a kind of renegotiation of the terms of dependence. On the other hand, it is assumed that IU not only rejects capitalism, but also seeks to attain socialism. All this entailed controversy and demarcation both in and outside of Congress. In this respect, there are nuances among the different IU parties. For example, some propose critical

support; others, constructive opposition; and still others, merely backing for what is good and criticism for what is bad. All this shows a failure to understand the historical projection of APRA and IU, and placing more stress on the immediate than on the strategic.

First, there should be respect for the views of all entities, whether they be large or small, and of all persons without party membership. Every statement, every position of IU should be the result of collective discussion. There could not be any statements of a personal nature made in the name of IU. Second, it should be remembered that IU has central documents, approved at national meetings, which have nevertheless been totally forgotten. So, there is a crisis of identity and political personality in IU. Third, IU and its leadership should be involved in the political struggle, leading and guiding it; because we are now lagging behind national events. The CDN should command respect for its policy decision-making authority, and have a permanent secretariat that is constantly guiding its political movement. Barrantes will continue to be president, because he has a great deal to contribute; but, under new conditions that will ensure collective leadership, internal democracy, the presence of the rank and file and respect for IU's central documents.

Alfonso Barrantes has been, is and should continue to be a valuable element in the process of unity; because there is a need for him to receive the contributions of individuals who do not belong to the parties. As for his endeavor as president of IU, he has had successes and mistakes as well, like all members of the CDN and the parties comprising it.

Manuela Benza (PSR): 'He Embodied Unity In the Eyes of the Masses'

Manuel Benza-Pflucker-(deputy and national leader of the Revolutionary Socialist Party):

It should be an opposition that permanently links IU's strategic objective with our current proposals. In that respect, we should not fear agreements because we are seeking a different societal plan. IU should develop its own course, in close relationship with the masses, attempting to solve their immediate and long-term problems. During this phase, the right will attempt to claim that we are witnessing the defeat of leftists in general, foisting APRA's mistakes upon us. Therefore, we must distinguish ourselves. On the other hand, it is obvious that there are nuances within IU regarding the type of opposition to APRA; but they are not deepseated differences. They relate, rather, to power tactics within the front. There are some who act as if they are to the left of IU as a means of gaining more political space.

IU should work collectively, based on the permanent operation of its steering committee; with greater discipline, and changing certain work methods and styles.

Alfonso Barrantes has enabled IU to attain a series of goals. He has embodied unity in the eyes of the masses. He has achieved a kind of popular, pragmatic leadership. But, on the other hand, Barrantes at times has not been very

favorable toward dialogue and internal debate with the IU leadership; and that is the main flaw that he should correct. Nevertheless, if he currently appears to be questioned in the IU leadership, it is not because of the mistakes that he may have made, but rather because there are some who consider this the best way to gain correlation within the front.

Herrera (PCO): 'We Are All Responsible'

Guillermo Herrera (deputy and leader of the People's Front of the Peruvian Communist Party):

1. It should be a program opposition, so that it will not merely reflect an opposition, but an alternative. APRA's ideological and political limitations afford a wide margin for IU to recover its high position within a short time. To be sure, there are differences of nuance in IU on this point. They come, on the one hand, from the fact that, at times, it is not understood (or it is not properly taken into account) that imperialism and the right are the principal enemies of the people, and that they are interested in fostering anti-Aprism and anticomunism so that, in the popular camp, a confrontation may occur which would make fruitless the demand for change that was expressed in the April elections. The other cause lies in the failure to consider the fact that APRA is not a homogeneous party, either ideologically or politically; and that an irrational, unnecessarily aggressive and spreading confrontation would help to make the party spirit consistent and, by the same token, take political space away from the sectors in APRA which promote unity of action against the right.
2. Like all the parties, we have agreed that one of IU's problems is the lack of a collective leadership, which is reflected in a lack of operation of the CDN. We must overcome the error of having the leadership meet only when its president is in attendance. The CDN should operate regardless of forced absences, and serve as a context for political and program discussion in a stable manner. The operation of the national commissions should also be fostered, only two of which are working: those on government plan and organization. And a process of distributing membership cards should also be carried out in a planned, collective manner. We are not advocates of collegiate presidency. The regular operation of the CDN ensures a collective leadership.
3. The problem does not consist merely of specifying what Barrantes' responsibility is, but rather that of the entire National Steering Committee, in which the parties are situated at their highest level. Hence, we have made an assessment of the CDN as a collective entity, categorizing the problem as a situation of political and to some extent also program immobility, with the predictable organic consequences. All of the members of the CDN, and hence Alfonso Barrantes Lingan, as well, are responsible for this situation.

PERU

BARRANTES CLARIFIES DIFFERENCES BETWEEN IU, APRA

Lima EL NACIONAL in Spanish 20 Oct 85 p 2

[Interview with Lima Mayor Alfonso Barrantes at his home; date not specified]

[Text] The possibility of a split in United Left (IU), the political front that is led by Alfonso Barrantes Lingan, has arisen in recent days. After 3 months of silence its main leaders opened fire in various directions, some supporting and some sharply critical of the performance of the front's president, who is also the current mayor of Lima. Early one morning EL NACIONAL tracked down the embattled leftist leader at his home. Speaking at the unhurried pace that characterizes his political activities in general, Alfonso Barrantes denied any possibility of a split in the front and clearly and wittily described how IU and APRA [American Popular Revolutionary Alliance] differ in their philosophies. "What we must avoid is political cannibalism," he asserted, stating that the ruling party has limitations that will prevent it from making substantive, structural changes in society. "IU is all this country has left," he asserted. Here is the enlightening interview.

[Question] How would you describe the current situation in United Left?

[Answer] Those who talk of a crisis in United Left are expressing their desire to see the political front break up. But it's not going to happen. No one wanted to attend yesterday's meeting more than I did, but some Latin American colleagues were passing through Lima, and I felt obliged to show them around and talk with them about common concerns regarding the transformation of our nations. That's why I didn't attend. But that very fact shows that when the steering committee wants to act, the president doesn't have to be there. So, whenever I have trouble attending, the committee can function, if the secretaries general so decide. Several secretaries general came to visit me this morning and told me that the discussions have been cordial and that at the close of the meeting everyone voiced a desire to maintain unity. This is very gratifying news to me. The next meeting will be this coming Wednesday, and I'll be there.

[Question] Could we boil all of IU's problems down to a competition for leadership?

[Answer] Well, I don't know whether anyone wants to take over the leadership. I got to this position in IU unintentionally, because I've engaged in politics for decades, but I never do so for personal reasons. As far as I'm concerned, politics does not mean exchanging insults or slights or slander. Politics must involve dedicated, consistent efforts aimed not at personal gain but at defending one's ideals and at helping to transform the country. Taking after Mariategui, I have said that I discuss ideas and that people are not a problem for me. This is why I have good relations not only with my colleagues, with whom I am united by a common cause, but also with my adversaries. I had good relations with former President Belaunde Terry and I have good relations with President Alan Garcia. But they haven't joined the ranks of United Left, and we haven't joined Popular Action or APRA.

### Two Different Philosophies

[Question] But some IU leaders have seized on this policy of yours to accuse you of following APRA's lead. How would you respond to such charges?

[Answer] I have said and still say that United Left will not lapse either into irrational opposition to APRA or, much less, into toadyism. Those of us who have been able to assimilate the ideas and the thought of Jose Carlos Mariategui know that there is no way to confuse United Left with APRA. They have different philosophies and different programs. This is precisely why I am not afraid of either common ground or confrontation with them. This is a realistic position that reflects the desires and the feelings of the masses that support IU. Any other position perhaps makes sense from a personal standpoint but does not represent the feelings and the unwavering desire for unity that all of the rank-and-file leftists in the country have.

[Question] Is there a limit to your support for certain APRA positions and measures?

[Answer] What matters to us is taking care of the people's needs. If someone other than us can do that, we can't be so petty as to deny them our support. If we really care about the people's needs, whoever can meet them deserves our support. Any other attitude would be parochial and dogmatic, which has no place in our day and age. We are socialists, and the APRA government is Social Democratic. The differences between the two are so obvious that not much of an explanation is needed. I think that there is too much speculation about the situation inside United Left and that some newspapers want to see IU break up. People have not yet realized that the country needs serious and strong enough political groups to lend it political stability. And anything that promotes a split militates against the stability of the country's institutions. This is what many people refuse to realize. What can we do? It takes all kinds.

## "The Only Alternative"

[Question] How important is it to the country for United Left to remain united?

[Answer] We are the best counterweight to certain authoritarian moves by the administration. Moreover, United Left is the last alternative that the Peruvian people have to fulfill their desire and hope for change. The Right has by now exhausted its potential. APRA has its limitations as a Social Democratic movement. IU is all this country has left.

[Question] What are the limitations of the APRA government?

[Answer] The limitations inherent in its philosophy. It is not socialist, as we are, and therefore, as we have seen so far, it is not going to seek substantive, structural change in society, which is what IU aspires to because we are socialists.

Now above and beyond philosophies and theories, what counts is action. I could say that I am a true revolutionary, but my actions could prove me wrong. So, the important thing is not to talk but to pursue a course of conduct consistent with your ideals. This is why Lenin said that you have to look at what the hands are doing, never what the mouth is saying. So, the point is what people do, not what they say. The point is what politicians do, not what they say. For example, you can say: we're cutting prices. But housewives go to market and see that there really is no price freeze. The price of chicken is down, says the president. But housewives know that prices are still high or there is no chicken. So, what matters in politics is facts, actions. The country's needs are not going to be met or its problems resolved with speeches, either by the Right or the Left or the Center. They are taken care of through specific measures. That's why a politician has to have his feet on the ground.

## "Political Cannibalism"

[Question] Are you charging then that APRA says one thing and does another?

[Answer] Sometimes. This is why APRA will always have the backing of United Left if it maintains a strong stand vis-a-vis the International Monetary Fund. What we have to avoid is political cannibalism. People here go around trying to set one group against another in United Left. This is of no significance. In 10 years no one will remember the petty squabbles that went on in a political party. They don't count. History is made on the basis of far-reaching goals, above and beyond personal weaknesses or mistakes. If you are able to consistently give voice to what the low-income segments want, you will have a place in history, period.

[Question] Do you feel that APRA's campaign pledges and government program are consistent?

[Answer] Well, there's no way to compare, because we haven't seen the text of the government's program. It has yet to be published. So, we can't say whether they're following it to the letter. What we can go by are President Alan Garcia's attitudes, decisions and proposals. I am not familiar with the APRA administration's program. We have been asking to see one since the election campaign.

[Question] Are you asking to see one now too, Mr Mayor?

[Answer] Of course. That would enable us to tell whether they are correcting themselves and putting into practice what they have in their program. I would add that in politics it is no disgrace to correct oneself. Why take a dogmatic, inflexible, parochial position? It is of no historic importance. The important thing is for politicians to learn how to correct their mistakes if by so doing they serve the interests of the people and of the country.

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CSO: 3348/160

PERU

#### NATIONAL LAW UNFAVORABLY CONTRASTED WITH CUBAN CODE

Lima EL COMERCIO in Spanish 3 Oct 85 p A-2

[Article by Mario Pasco Cosmopolis: "Labor Stability"]

[Text] Under this title, the periodical ANALISIS LABORAL, edited by the prestigious jurist Dr Luis Aparicio Valdez, has published a special supplement containing highly varied, rich and exhaustive information on the topic of labor stability, which today is of such great relevance.

We are not going to make an outline of the publication, but we shall bring out a number of valuable points of view which an examination of it would suggest.

#### Center of Gravity

The periodical quite accurately states that the discussion of stability is currently centered "more on the characteristics of its implementation than that of its existence."

We do in fact believe that in Peru -- given specific experience and with a clear constitutional mandate and an explicit political commitment on the part of the current government -- it would be sterile to engage in a controversy on whether or not there should be job stability. What is important, on the other hand, is to see that that right to work is accompanied and compensated by clear and certain obligations for the beneficiaries, not only for reasons of a basic equilibrium, but also because of the repercussions which stability has on the job market, productivity, work discipline, and so on.

Consequently, the core of the debate is the definition of just causes for dismissal, the only counterweight to the absolute immobility of the worker who has gone beyond his period of probation.

#### Just Cause

Because of a distortion introduced by the first law on stability, DL 18471, there is a tendency to identify just cause with a serious failing, meaning that the only just cause for dismissal is the commission of a serious mistake by the worker.

Such an identification is wrong. There are various situations which, without stemming from the misconduct of the worker, justify the termination of his

employment. These are not only general causes, such as unforeseen circumstances, force majeur, the poor economic situation or technological changes, but individual reasons which neither the Decree Laws 18471 and 22126 nor the proposal being debated have taken into account, but which should be contemplated.

Among its valuable sources of information, ANALISIS LABORAL mentions one legal instrument of particular interest: the Cuban Labor Code, the most recently promulgated in all America (December 1984).

That Code authorizes the termination of a labor contract for the following reasons, among others: 1) the worker's inability to perform a specific job, duly verified; 2) the lack of aptitude for a given post or job assigned; 3) partial disability of the worker, when the possibilities of placing him have been exhausted. In addition to these are serious failings, defined as "the violation of labor discipline" typified by 12 specific forms of conduct or actions (absences, disobedience, negligence, lack of respect, appropriation, and so on).

From the technical standpoint, the Cuban code is very well worked out. Why then should the budding Peruvian law put up with restrictive concepts that do not make stability a respected right, but rather, a constant source of quarrels and litigation?

#### Balance and Equity

Any and every law should be based on balance and seek equity. A unilateral, partial, biased law, far from preventing conflicts, causes them and instead of avoiding violations, promotes them.

The law on labor stability, like any law, must be the fruit of analysis, meditation and debate; not an improvisation based on debatable emergencies.

The ANALISIS LABORAL supplement is consequently extraordinary in the broadest interpretation of the word because it enlightens and guides debate, while providing scientific bases where often only hepatic impulses operate.

In commenting on it, we have scarcely touched upon one of the many aspects of the issue: the "center of gravity," to use its own terms. There are many more aspects, all of them important, such as that of the necessary exclusions from job security of certain activities (civil construction) or posts (workers whose posts are based on confidence); the legal handling of cases in which an unjustified dismissal is discussed; rights of the worker fired without just cause; and so on, which, because they go beyond the purposes of these lines, will have to be the subject of future commentaries.

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CSO: 3348/144

POLIT

## BUSINESS GROUP PROPOSES MEASURES FOR ECONOMIC RECOVERY

Lima EL COMERCIO in Spanish 28 Oct 85 p A-14

[Text] The National Confederation of Merchants, on the occasion of its 40th anniversary, has made a proposal on the national economic situation.

First of all, after hailing the drafting of measures such as the lowering of interest rates, checking inflation and the "de-dollarization" of the economy, it states that the price freeze "is having a negative effect on productive activity as a whole."

The organization notes that "we have observed a certain drop in sales of industrial plants, along with a gradual exhaustion of inventories and a certain paralysis in production as a result of a lack of definition of a policy to promote development."

It goes on to state that this situation must be remedied immediately, "in order to correct distortions that might lead to shortages in the country, which would have serious consequences."

### Plan of Reactivation

"Consequently, we urge that the main guidelines of a short-term plan of reactivation be drawn up immediately, guidelines that would include the following actions, among others:

"a) specific action aimed at increasing domestic savings, inasmuch as without it, it is illusory to think about financing economic development adequately and free of dependence on foreign credits and loans;

"b) a radical change in the tax system, making it fairer, more equitable and simpler, through a simplification of payment, the elimination of inflationary taxes such as the one on fuel, and a reduction of sales taxes and selective consumer taxes, which would act as an incentive;

"c) the promotion of employment through the creation of enterprises in depressed areas, which would be exempt from taxes;

"d) a redefinition of the scope of the general law on industries, giving priority to the development of agro-industry;

"e) the establishment of a new legal framework for small- and medium-scale mining;

"f) promotion of the creation of national nontraditional export consortiums;

"g) maintaining flexible and promotional lines of credit; and

"h) providing incentives for foreign investment, for which purpose the scope of Decision 24 of the Cartagena Accord must be analyzed."

#### Legitimate Interests and Continued Efforts

The National Confederation of Merchants (CONACO) also states that its members are aware that a new economic and social policy necessarily implies the adaptation of productive agents and institutions to new rules of play. Nor must the measures affect legitimate interests and continued efforts, which are the fruit of the most constructive national forces.

Finally, the organization expresses its total support for the government "concerning its categorical position on payment of our foreign debt (10 percent of our exports)."

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CSO: 3348/144

PERU

#### GOALS OF NEW AGRICULTURAL POLICY OUTLINED

Lima PERU ECONOMICO in Spanish Oct 85 pp 11-13

[Text] The reduction in interest rates and the price of fertilizer and the refinancing of debts of the agricultural sector are the first measures being taken by this government aimed at stabilizing production costs in the sector.

Both the reduction in interest rates -- by an average of 80 percentage points -- and the graduated scale established based on zones and products have encouraged farmers to apply for loans which, according to some of them, represent between 30 to 40 percent of their costs. Existing rates range from 45 percent for industrial products on the coast and in the forests to 19 percent for food products in the mountains and forests.

The Agricultural Bank has proposed to consolidate and refinance debts for loans not paid in previous seasons and to go further with its decentralization efforts, broadening rural credit programs and, for the first time, granting loans to traditional Andean crops. In order to make the agricultural extension policy more effective, according to statements by Minister of Agriculture Mario Barturen, the department will work with promoters responsible for providing technical assistance to a given area. "They will not be public employees, but rather, duly registered professionals who will offer their services privately, earning a percentage on what is produced," the minister said. At the same time, in order to offer better terms to farmers and avoid unnecessary red tape, loans granted by the bank will not be given based on products, but rather, for the season. It is intended that both the National Institute of Agricultural Research and Promotion and extension agencies or experimental farms will be administered by the organized producers themselves.

Another measure adopted is the creation of the Fund To Improve Farm Prices, whose purpose is to provide support prices for selected products and, in the future, subsidize producers (especially those of native foods) and certain strata of consumers. This program will be financed with a tariff on certain imported products, resources that will be administered by the ENCI [National Enterprise for Industrial Marketing].

Another of the main projects of the agricultural sector is the Food Security Plan, whose goals are to ensure an adequate supply of agricultural products, take care of deprived areas and achieve food autonomy. For the purposes of this plan, products have been divided into three groups: agroindustrial

(flour, oil, fats, dairy products, rice, sugar, fish), products consumed directly (potatoes, vegetables, dried vegetables, fruits) and those having a limited market (quinua, quiwicha, canihua).

In addition, campaigns involving bread for the people and sardines reveal the government's intention of changing the consumer habits of the population in order to substitute certain farm products and thus achieve a "food emancipation." "Our diet cannot continue to depend on the production of foreign countries," Barturen continues. At the present time, millers financed a technical study to introduce 15 percent cornmeal into bread baking. However, these goals will, if achieved, only be reached in long-range terms. In the immediate future and medium-range terms, the main policies are aimed at management and control of prices on agroindustrial products, trying at the same time to increase technological efficiency and the use of national consumable expenditures.

For products directly consumed, priorities concentrate on the effort to standardize and improve marketing. Plans are to spread information on the area of land being plowed, planted and harvested so as to guide producers and avoid production surpluses that substantially affect profits of those products.

Since Peru is a country with 23 ecological areas and great diversity of climate, it is indispensable to have a more complete system of information. At the present time, there is a project of SENHAMI and the Office of Statistics of the Ministry of Agriculture whose purpose it is to provide information, not only on the climate, but also on traditional crops or those that could be incorporated into the various ecological plans.

In addition, an effort will be made to improve operating practices to prevent the official price from being ignored. For example, "merchants sell bad potatoes at that price, but charge more for good ones," says Romulo Grados of the INP [National Institute of Planning].

At the present time, prices are set every two weeks by a board of regulation including representatives of producers, merchants and the ministry. However, some believe that the system favors merchants. "They do not give fast or reliable information, proof of which is that prices have been frozen above the real price, in many cases," comments Gustavo Garcia Mundaca, president of the National Agrarian Organization (ONA).

For products with a limited market, a massive program of credits and technical assistance will be initiated, especially in the "trapeze" area: Puno, Cuzco, Huancavelica, Abancay and Ayacucho. For this purpose, the Agricultural Bank will offer special lines of credit for capitalization, marketing and irrigation. Their use will indirectly serve as a system of planning and estimates of how much will be produced.

Products in this third group will make it possible to improve the nutrition of marginal urban groups, substituting domestic products for exports through programs of food assistance -- community dining rooms, family kitchens, and so on -- and changes in the choice of food bought with government money, for example, for hospitals and the armed forces.

**Areas Planted in Crops on National Level (hectares)**

	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>
Rice in the hull	248,017	220,511	225,000
Starchy corn	193,918	211,970	224,000
Dried beans	59,168	62,120	63,000
Potatoes	173,639	194,046	219,000
Wheat	79,813	80,747	96,000
Raw cotton	98,374	159,342	155,000
Hard yellow corn	187,152	180,156	198,000
Soybeans	874	478	6,000
Grain sorghum	12,479	81,029	18,000
Sugar cane	75,600	88,300	64,000
Coffee	166,803	164,512	153,000

Source: Ministry of Agriculture

Drawn up by: Apoyo, Inc.

In addition, centers of agricultural development will be set up in various mountain areas, where representatives of ENCI, the Agricultural Bank and the ministry will be integrated into a single unit and where housing will be provided for all those who move there.

The government has figures showing a 10-percent increase in land cultivated during the October-December season of this year. In addition, for the September 1985-July 1986 season, investments of some 7 billion sols are planned. Of this amount, the government has advanced 50 million sols as a contribution to the capital of the Agricultural bank.

Official production goals for 1986 are quite optimistic. It is estimated that that agricultural GNP will rise 4 percent. However, the president of the ONA notes that these goals are based on an exceptionally good year with respect to climate and irrigation water available. "Peru is a country of contrasts and the initial signs for the coming season are promising. SENHAMI reports show abnormal temperatures in various areas of production," Garcia Mundaca said.

It is estimated that the 1985-1986 farm season will be better than 1984-1985. Regarding the different products, cotton production should increase by between 8 and 10 percent, since areas planted will increase, mainly in the Lambayeque area. Potato production will drop significantly, but, as one farmer said, "in place of potatoes, rice is fine." It is estimated that rice production for 1986 will be above 1 million tons. Some experts think, however, that due to the stock on hand, no more than 750,000 tons should be produced. "Our excess production causes more problems than satisfaction, since our rice is not of international quality and has to be stored and in Peru, we do not have adequate facilities," Garcia Mundaca continues. In addition, the government hopes not to import sugar this year. In recent years, the free importation of sugar at "dumping" prices made it possible to cover export quotas and the domestic market to the detriment of national production of the sugar cooperatives. The suspension of imports or the establishment of support prices to stimulate national production is being studied.

PERU

#### GROUP SAYS CREDITOR BANKS SHOULD HELP EXPAND MARKETS

Lima EL COMERCIO in Spanish 27 Oct 85 p F-3

[Text] Experts in international trade and friendly bankers propose that commercial creditors should consider new and different strategies that would make it possible to increase markets for Peru, while generating incremental foreign exchange and means of payment for the banks themselves.

According to the authors, it is a matter of having the banks help us to pay them through an intensification and expansion of markets which at the present time do not exist for Peru.

#### Criteria To Observe

With the option that the banks, through their affiliated commercial enterprises or their customers abroad, should create new markets for Peru, the following criteria must be contemplated:

- 1 -- New exports of goods and services will truly have to signify new export markets, while having a high technological content and added value.
- 2 -- There must be no diversions of trade, which would be harmful to Peru.
- 3 -- The significance of the new markets must be considered, for they may in the long run turn into stable opportunities for the country.

#### Amounts

Concerning amounts, it is maintained that the banks would have to achieve export volumes that would be multiples of the value to be recovered by the banks themselves. It would also be advisable to design incentives so that the banks make the greatest possible effort to generate greater exports.

#### Why Markets Are Necessary

"These incentives should result in a graduated scale of increasing recovery with increasing exports generated. In other words, one who gains markets for Peru will recover his debts more rapidly."

A hypothetical frame of reference is based on the following assumptions:

1 -- The banks would generate new Peruvian exports, to be qualified by FOPEX [presumably Peruvian Export Fund].

2 -- Profits and incentives for banks would be incremental, with greater rewards going to those which, proportionally speaking, make the greatest effort or have the greatest success.

3 -- The money that banks would recover would be in terms of the percentage of their debt, which they would collect through more exports.

New Exports Expressed in a Percentage of the Credit Balance	Recovery or Profit Obtained by Banks Expressed in Percentage of Value of New Exports
0%	10%
1-15%	30%
16-35%	40%
36-75%	50%
76% or more	60%

The authors also note that many representatives of big international banks privately admit that our country's current foreign debt will be very difficult to recover if new mechanisms are not found to lower interest rates, increase the length of payment or significantly increase the amount, added value and technological content of Peruvian exports.

#### Problem and Opportunity

"The foreign debt is a great problem and, at the same time, a great opportunity. Problems are opportunities. The most obvious path is to make banks participants in the problem and the solution and the most feasible path is this proposal," say its backers.

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CSO: 3348/144

PERU

#### NAVY MANUFACTURES NEW MINI-SUBMACHINE GUN FOR EXPORT

Lima EL COMERCIO in Spanish 27 Oct 85 p A-7

[Text] A new mini-submachine gun, which can be hidden under the arm without awakening the slightest suspicion, has been produced by the Weapons Manufacturing Center (CEFAR) of the Peruvian Navy, with the aim of marketing it at home and abroad.

The weapon is the Mini MGP-84, entirely designed and manufactured by Peruvian technicians of CEFAR late last year and perfected by them in 1985.

The mini-machine gun 84 is 28 centimeters long, weighs 4.2 kilograms and can fire 650 9-mm bullets a minute at an initial speed of 410 meters a second. Because of its small size and weight, it is ideal for personal protection.

The designers note that this small machine gun (smaller than the Belgian-made Uzi) can also fire tear-gas grenades, smoke bombs to cover retreats and war grenades up to a distance of 125 meters.

The Ministry of Interior is known to have demonstrated interest in acquiring the new model machine gun, which has even attracted the attention of an American organization involved in fighting drug trafficking.

Capt Eduardo Benvenutto Navelli, head of CEFAR, has said that the Peruvian Government has pledged complete support in equipping police forces with weapons produced at home, as part of the announced promotion of national industry.

#### Exports of MGP 79

CEFAR, which starting in 1979 began to manufacture weapons, has produced and marketed fairly substantial quantities (several thousand) of the MGP 79 automatic pistol, which has gone through various stages of improvements.

At the present time, that automatic pistol, which fires 9-mm bullets, has a folding butt and a highly effective silencer. The noise of firing is more effectively muffled than that of the well-known German HK's.

CEFAR has sold approximately 15,000 units to police forces, 5,000 to the Peruvian Navy and several thousand to the National Guard of Panama. A South American and a Middle Eastern country have also demonstrated their interest.

In addition, in an agreement with Colt, CEFAR is assembling revolvers under that brand using components 30 percent of which are made in its shops. The same is true of the Browning GP automatic pistols made by the Belgian firm FN.

PERU

BRIEFS

GR HIGH COMMAND ANNOUNCED--Since yesterday the command of the Republican Guard of Peru has been composed of nine generals, including its superior director. Ten of the 19 generals that it used to have retired in the wake of an institutional revamping. The reconfirmed superior director of the Republican Guard, Gen Julio Nino Rios, is in charge of restructuring command personnel. The other eight remaining generals are: Maximo Martinez Lira, the current head of the Office of National Defense in the Interior Ministry; Raul Jares Gago, the commander of the Second Republican Guard Region, headquartered in Lima; Victor Garcia Leigh, the commander of the third region, headquartered in Arequipa; Felix Panta Delgado, the commander of the fourth region, headquartered in Cuzco; Carlos Duran Torres, the commander of the fifth region, headquartered in Iquitos; Javier Cano Armas, the director of police activities and instruction; Simeon Aguilar Castro, the director of planning; and Faber Cabello Caceres, the finance director. [Text] [Lima EL COMERCIO in Spanish 31 Oct 1985 p A-6] 8743

FRG, FAR GRANT CREDITS--Peru will receive \$200 million in new loans, the chairman of the Council of Ministers, Economy and Finance Minister Luis Alva Castro, has announced. Half of the amount will come from the Andean Reserve Fund (FAR) and half from the Federal Republic of Germany. According to the ministry's press release, the FAR is granting a short-term line of credit with no strings attached, while the loan from the FRG will be earmarked for several agricultural, health care and educational projects. The second loan, the press release states, "is a result of the government-to-government consultation meeting on technical and financial cooperation with the FRG." It indicates that at the close of the meeting the German officials voiced their support for the economic recovery policy that the Peruvian Government is pursuing. It goes on to say that the two loans show that the country still enjoys sources of credit that back the government's development policy. The release notes that among the activities to be undertaken is the continuation of the Jequetepeque-Zana irrigation project, which will directly benefit three departments: La Libertad, Cajamarca and Lambayeque. [Text] [Lima EL COMERCIO in Spanish 31 Oct 85 p A-1] 8743

FISH PROCESSING PLANTS REOPENED--Yesterday, the minister of fisheries, Jose Palomino, stated that nine fishing plants have been reopened to date, as a means of reactivating PESCAPERU [State Fishmeal and Fish Oil Production Agency]. The head of the Ministry of Fisheries remarked: "PESCAPERU's doors are already open in Chicama, Chimbote, Supe, Huacho, Pisco, Ilo, Tambo de Mora and Mollendo." In commenting on the PESCAPERU plant that was reopened yesterday, Palomino

said that it is an intermediate-sized plant, with a capacity for 96 tons per hour, providing employment to 140 persons. He claimed that, for its supplies it requires from 10 to 15 boats, each with a hold capacity of about 300 tons; thereby giving employment to an additional 250 persons. He noted that its production would depend greatly on the amount of fish caught. At the present time, he said, the fish are reappearing in sufficient industrial quantities to export. He estimated that about \$25 million worth could be processed. In discussing the open sea fleet, he said that the government is fulfilling its proposal to give priority to fishing for direct human consumption. He observed: "There are advanced talks with the Soviet representatives for the renewal of fishing contracts." With regard to these, he said: "Every step that they take, they consult with Moscow." He continued, noting that this relates to the catching of 60,000 tons of fish, 15 percent of which would be turned over to EPSEP [Public Enterprise for Fishing Services] entirely free of charge, contributing to a reduction in the price of fish. [Text] [Lima EL COMERCIO in Spanish 31 Oct 85 p A-5] 2909

CONTRABAND MARKET CAPTURES GOLD--Puerto Maldonado, 30 Oct--Gold smuggling has taken over control of the department of Madre de Dios: 80 percent of the gold mines is subjected to unlawful marketing, while only the remaining 20 percent goes into the possession of the Mining Bank. This situation is due to the fact that there is no policy for offering gold producers incentives and better prices; which results in an advantage taken by the smugglers who, knowing the prices on the international market, multiply their investment and leave the state with "slim pickings." Salvador Bermudez Arteaga, chairman of the Madre de Dios small gold producers association, claims that the gross annual production of that precious metal in this area amounts to 8,000 kilograms, of which the Mining Bank receives only 1,500 kilograms; representing less than 20 percent of the total production. He notes that this fact has indirectly caused a low gold price quotation on the domestic market, and does not foster effort on the producers' part, because the prices paid by the Mining Bank are not competitive with those established on the international market. Therefore, he adds, the largest percentage of the gold is marketed with the smugglers. That is not the only aspect of the problem. Since the state receives only 1,500 kilograms of gold per year, the gold royalty for Madre de Dios is given only on the basis of that low volume. Bermudez claims that this, therefore, represents only an income of about 6 billion soles per year, as a contribution from the royalty; whereas actually it should amount to 36 billion, if 100 percent of the gold produced in the department were taken. Bermudez says that what the small gold producers are seeking, in summary, is that the Mining Bank increase the payment made to them for an ounce of gold by an additional 5 percent. He declares: "That measure would be equitable, inasmuch as the mine producer is experiencing a 2 percent reduction based on the marketing, 3 percent based on the mining royalty and 5 percent due to impurities." [Text] [Lima EL COMERCIO in Spanish 31 Oct 85 p A-16] 2909

MANUFACTURE OF 81-MM MORTAR--As of 1986, Peru will be able to manufacture sophisticated 81-mm mortars for the armed forces. These mortars will be manufactured with Peruvian technology at low costs. An agreement to this effect has been signed between INDUMIL /Military Industries of Peru/ and ITINTEC /Industrial Technology Research and Technical Standards Institute--Instituto de Investigacion Tecnologica Industrial y de Normas Tecnicas/. Forty percent of the domestic industrial sector will participate in this program. Compared with similar mortars of other countries, this Peruvian-manufactured mortar has the advantage that of a base that enables the mortar to shoot in a 360-degree arc without changing position and in a minimum time. [Text] [Lima America Television in Spanish 0145 GMT 22 Nov 85 PY/ 12228

ST LUCIA

## LANSIQUOT DISPUTE WITH YOUTH COUNCIL RESURFACES

### Renewed Controversy

Castries THE WEEKEND VOICE in English 19 Oct 85 p 1

Article by Lawrence James: "Controversy Resurfaces; N.Y.C. Launching Postponed Again; Minister Threatened Not to Attend"

Excerpt

**The launching of the National Youth Council (NYC) which was scheduled for tomorrow, and has twice been put off, has again been postponed for the third consecutive time.**

This time the Minister of Youth, Romanus Lansiquot, whose Ministry earlier said that it will not support the NYC because it was 'hastily formed', Thursday threatened not to attend the function at the Castries Comprehensive Secondary School if the NYC went ahead with the launching ceremony. The Minister was due to deliver a message and to formally launch the Council.

In a letter to chairman of the Working Committee for the formation of the NYC, Mr. Errol Walker, the Minister states his reason for not attending tomorrow's ceremony is due to concerns expressed by a number of youth groups and the St. Lucia Christian Council indicating that they were not consulted on the formation of the Council.

However, a release issued to THE VOICE late yesterday from the Prime Minister's office says that tomorrow's gathering will

deal primarily with the draft constitution by the youth groups present.

It adds that after the meeting a draft constitution as amended will be prepared and circulated to all youth organisations and "an earlier date fixed for the final adoption and for the election of officers whereupon the NYC will be formally launched."

The Minister said it was clear that all is not well judging from the concerns of the Church and traditional youth organisations as well as the St. Lucia Christian Council.

He added; "The Ministry for Youth must be reasonably satisfied that all youth groups in St. Lucia have been consulted on the formation of the National Youth Council before such a Council can be recognised by the Ministry. It does not appear this is so."

The groups in question, viz., the Methodist Church, Pentecostal Assemblies, Salvation Army, National Council for the Disabled, Girl Guides Association, Pathfinders, Boys Brigade and the Cedars United Sports and Cultural Club expressed their concern in a letter to both the NYC and the Ministry of Youth stating that "more time is therefore needed to study the proposed draft constitution and to make representation where necessary before a National Youth Council is launched."

### Attack on Lansiquot

Castries THE VOICE in English 23 Oct 85 p 1

Article by David Vitalis: "November 17 -- New Date for NYC Launching; Youth Want Minister Dismissed"

Text

**The National Youth Council (NYC) is calling for the dismissal of Romanus Lansiquot as Minister of Youth because he is "apparently bent on stopping short of nothing but the destruction of the National Youth Council."**

The call was part of a resolution forwarded Sunday to Errol Walker, Chairman of the Working Committee formed to mediate in the current impasse between the NYC and the Ministry of Youth. Walker, was expected to deliver the NYC resolution to the Cabinet Secretary for onward transmission to Prime Minister, John Compton.

The NYC resolution was moved by Peter Fevrier of Mon Repos, and seconded by Theresa Mitchell of Castries, and was the major development coming out of what was intended to be further consultations on a draft constitution convened at the Castries Comprehensive School.

The official launching of the NYC was postponed for a third consecutive time Sunday when Youth Minister Lansiquot announced that his Ministry was not reasonably satisfied that all youth groups in the island had been consulted on the formation of the NYC. Lansiquot has repeatedly expressed his ministry's non-recognition of the NYC saying that it was a hastily formed organisation with a leadership of doubtful ideologies?

The NYC said in Sunday's resolution that its constitution had been circulated to youth organisations "throughout the country and has been discussed, amended and approved by representatives of the various branches of the Council." The resolution further added:

"The Minister of Youth has employed every tactic to avert the democratic expression by the youths of their views and positions.

"The Minister of Youth is apparently bent on stopping short of nothing but the destruction of the National Youth Council.

"The Minister of Youth has by his attitude to the youth of St. Lucia undermined the integrity of the Government of St. Lucia.

"Be it resolved that we the youth organisations gathered at a meeting at the Castries Comprehensive School Auditorium on Sunday, October 20, 1985, hereby declare our satisfaction with the draft constitution of the National Youth Council.

"And be it further resolved that we hereby ratify the Constitution of the National Youth Council.

"That the National Youth Council be launched on Sunday November 17, 1985.

"That we have no confidence in the Minister of Youth.

"That the youth here gathered request the Right Honourable Prime Minister to relieve the Minister of Youth of his portfolio."

There has been no official response from either Lansiquot nor government, Walker told THE VOICE yesterday that he could not comment on the matter before he gave a full report to Cabinet Secretary, Victor Girard.

THE VOICE was told that Girard would not be in office before press time yesterday and Permanent Secretary in the Ministry of Youth, Aldith Isaac said the Minister had not discussed the events of Sunday's meeting and therefore could not make a statement.

Prime Minister, Compton is due back from the Bahamas after attending the Commonwealth Summit Conference.

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CSO: 3298/150

ST LUCIA

## LABOUR ORGAN SPECULATES ON DISARRAY IN POLICE RANKS

Castries CRUSADER in English 19 Oct 85 p 1

Article by Nicholas Joseph: "Three Cops in the Running. Who Will Be St Lucia's Next Top Cop?"

Text

When the euphoria of the Royal visit is over, and the Royal Yacht Britannia sails away from St. Lucia next week; the domestic situation will be bubbling with events.

For a few weeks now there has been wide spread speculation that major changes are expected in the top ranks of the St. Lucia Police Force.

Sources close to the Police have hinted that Commissioner of Police Cuthbert Phillips will not be returning to this top post.

Following the announcement earlier this year, in the wake of the Yamaha affair that a regional Police Advisor would be conducting a "Review of the Force," Commissioner of Police Phillips proceeded on long leave, which has since been long over-due but the Commissioner has not returned to his post.

The situation concerning the exact status of the Commissioner reached its peak during the recently held military manoeuvres (Exotic Palm), when Commissioner Phillips appeared in uniform, and made a statement to the effect that the war-games were to deal with drug trafficking in the area. Mr. Phillips statement contradicted previous reasons given for the exercise by both local Police officials and U.S. personnel.

The Crusader has since been informed that Mr. Phillips had only been given observer status at the exercise, and was not supposed to have made any

statement in the capacity as Commissioner, since he was on leave.

There have also been reports that the Commissioner went back to his office, but was told that his leave was extended

Following these developments and concerns raised by members of the public during a phone-in programme, a top ranking Government official informed us that all he knows is that the Commissioner is still on leave. Although at the time when the official was interviewed the Commissioner was already due back,

he gave no indication as to a time frame when Mr. Phillips was expected to resume office.

There have been reports that investigations are going on in the Force by the Audit Department.

These developments have given a fresh slant to the rivalry which has split the Force, for the past three years. A division which has been stimulated and sustained by the interference of UWP Party Hacks in the administration of the Police.

In light of these developments names like Assistant Commissioner "Five" Augustin are being mentioned as being tipped to replace Mr. Phillips as the new Commissioner. However, a top ranking Police official has dismissed this as merely a rumour, and is without foundation or logic. Meanwhile Mr. Frederick has been acting from March 1985.

Prime Minister John Compton who holds the portfolio of security has been tight-lipped on the issue. As Minister for security it is the responsibility of the Prime Minister to clear the air, and tell the nation what is the exact state of affairs in the Police Force. If the Commissioner is not going to resume duty the Prime Minister must tell us. If areas of corruption have been identified, and certain members of the Force are implicated we must be told.

If Mr. Phillips is no longer in charge the people must be made aware of who exactly is in control.

Is the Government so preoccupied with the Royal visit that such an important department has taken a secondary position?

St. Lucians are anxious to know who will be St. Lucia's next Chief of Police?

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CSO: 3298/150

ST VINCENT AND THE GRENADINES

RURAL DEVELOPMENT TEAM TALKS COCOA IN BELIZE

Kingstown THE VINCENTIAN in English 18 Oct 85 p 7

[Text]

A three-person delegation from Organisation for Rural Development headed by Norville Abraham, Deputy Project Co-ordinator, Ashley Latchman, Cocoa Development officer, and Harold Jones PADF Technical Agricultural Advisor to the Organisation for Rural Development are in Belize holding discussions with Hershey Humming Bird Cocoa Research and Development farm representatives.

This is the first phase of a five year Cocoa development and rehabilitation programme being introduced by ORD in consultation with the Ministry of Trade, Industry and Agriculture, and small farmers. The main object of the visit to Belize is to look at intercropping techniques, planting materials, farm management, fermentation, drying and storage of cocoa.

The Hershey Corporation through the Pan American development Foundation (PADF), has offered a market guarantee for cocoa produced in St. Vincent. Some 600 acres is being projected to be planted and rehabilitated over the next five years. This program is funded by the United States Agency for International Development.

ORD is also engaged in the promotion of onion production.

Some 80 acres of that crop are expected to go under cultivation between this month and November. Farmers have already begun preparing the lands for planting.

It is anticipated that the quality of onions produced will be high. ORD small farmers have been receiving technical assistance from both local CARDI and CARDATS officers. The improved facilities that will result from this assistance should raise the standard of the crop. The acreage planted should yield over 500,000 pounds of onions.

Meanwhile ORD is improving its financial management system. An Internal accounting and Auditing Firm is to commence work with the Organisation in early November, to install a modern computerized accounting and financial management system.

The implementation of this new system, will launch the second phase of a three-phase special financial management, technical assistance programme.

The first phase, initiated last August, was the hiring of a Financial Controller

and the appointment of a Financial Management Advisor, through the Pan American Development Foundation (PADF).

The third phase of the programme is expected to begin in early 1986, when the Organisation will place emphasis on computerizing

its financial records and reports.

The strengthening of ORD's financial and development aspects is part of an ongoing financial and technical assistance package provided by USAID, through PADF of the United States.

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ST VINCENT AND THE GRENADINES

BRIEFS

TALKS WITH COLOMBIAN EXPORTERS--Eleven senior private sector participants, along with 2 banks, an economist in the Ministry of Trade and the Manager of the Development Corporation, met with Mr Guy Chastenet, the Director of the Colombian Export Promotion Corporation on Friday 11th October. The purpose of this meeting, which was organised by the St Vincent Chamber of Industry and Commerce was to learn from Chastenet the various incentives for the export of manufactured goods, raw materials and technology that prevail in Colombia. Of particular interest to banks were the details of lines of credit and finance both for the exporters of Colombia and the importers in St Vincent. Assembly and manufacture, involving local and Colombian raw materials, were also discussed: and further detailed talks were held on an individual basis on Saturday and Sunday with a view to promoting the several projects already identified as potential joint ventures. [Text]  
[Kingstown THE VINCENTIAN in English 18 Oct 85 p 8] /12851

CSO: 3298/144

UNITED PARTY BACKS PNP EXECUTIVE'S RESIGNATION

Grand Turk TURKS & CAICOS NEWS in English 10 Oct 85 p 1

Text

**TURKS and Caicos United Party has issued a statement on the resignation of Hilly Ewing who was on the Executive Committee of the PNP.**

The statement:

"The Turks and Caicos United Party firmly stands behind Mr. Hilly Ewing on his recent stand in officially resigning from the Executive Committee of the PNP and openly denouncing the performance of the Government since it came to power.

It appears that this PNP General was totally disillusioned by the extreme nepotistic practices of the Government; and felt not that his family was in any way circumvented but that his son had achieved the highest awards and that his son was entitled to the opportunity for future academic development due to his scholastic performance.

One can only admire a man of this magnitude and calibre as we know that it was a difficult decision due to his long standing association with the party. His strong stand sim-

ply reflects what the government has been doing within these Islands; one can only assume that his decision to resign stemmed from a combination of factors:

1. The Government's failure and total absence of honesty and fairplay in dealing with their own supporters.

2. The Government's failure to deal with constitutional matters affecting the country.

3. The Government's failure to adequately address political, social, and economic problems facing the country.

4. Their failure in instituting policies beneficial to the growth of the country.

5. The Government's continued promise to build a Spine Link road in the Caicos Islands at the opportune time of elections.

Mr. Hilly Ewing must be admired as a man who has his country's best interests at heart. It is unfortunate however that other members of his party lack the courage and foresight of this remarkable man."

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CSO: 3298/145

URUGUAY

## SOCIALIST, COMMUNIST DIFFERENCES FORESEEN AT LABOR CONGRESS

Montevideo BUSQUEDA in Spanish 24 Oct 85 p 13

[Text] The discussions in the various committees that the PIT-CNT [National Convention of Workers] has formed to draft the position papers that will be read at the labor confederation's Third Congress late next month have continued this week, particularly in the Evaluation and Prospects Committee.

At the same time, sources consulted by BUSQUEDA announced, although agreements have been reached in principle on several issues (such as the approach to certain periods in the Evaluation Committee), differences will likely arise, mainly between the socialist and communist factions, at upcoming meetings over the makeup of the future Representative Board and the Executive Secretariat.

The issue has reportedly not been formally discussed in the respective committee (coordination and organization), but the situation has revealed itself through "bilateral, unofficial talks in the labor confederation."

The most controversial issue that the Evaluation Committee has taken up so far is unquestionably the manner in which the labor movement dealt with the 1973 strike. Indications were forthcoming that the issue would be addressed in a comprehensive analysis of whether the strike was conducted properly or not and of the stand that the main unions took towards it.

There will be two annexes to the Evaluation Committee document: one containing the statement that the CNT Representative Board issued at the close of the 1973 general strike staged after the coup d'etat, and the other the document drafted by the three F's (FUNSA [Uruguayan Tire Plant, Inc], FOEB [Federation of Beverage Workers] and FUS [Federation of Uruguayan Sanitation Workers]), which contained an analysis contrary to the CNT statement.

Our informants indicated that there would be no major discussion of the 1974-1980 and 1980-85 periods.

The Evaluation and Prospects Committee is chaired by Jose D'Elia and also includes Eduardo Fernandez (AEBU [Association of Uruguayan Bank Employees]), Thelman Borges (COT [Congress of Textile Workers]), Eduardo Platero (ADEOM [Association of Municipal Employees and Workers]), Luis Romero (FUNSA), Ruben

Marquez (COT), Ricardo Vilaro (CSEU) and Juan Betancourt (ANCAP [National Administration of Fuels, Alcohol and Portland Cement] Federation).

With regard to the work that the Program Committee has been doing, the sources agreed that it is stressing the need for sweeping changes in the country's economic and social structure.

It also emphasizes the need for economic planning, the nationalization of the financial system and foreign trade and an increased government presence in industry.

Richard Read (FOEB) is the chairman of this committee, which also numbers Carlos Bouzas (AEBU), Juan Toledo (COT), Daniel Martinez (ANCAP Federation), Ruben Villaverde (FOSE) and Mitil Ferreira (COT) among its members.

#### Representation in the Labor Congress

Meanwhile, the problem of each trade union's representation in the Congress has been settled in accordance with two criteria. First, if a proper list of union members is available, the number of "dues-paying members" will be used to determine the number of delegates that the union or federation is allotted. In the event that there is no list, the union must set up a committee made up of representatives of its various factions to corroborate the number of "dues-paying members" that the union claims.

Union spokesmen estimated that between 900 and 1,000 delegates would attend the Congress, whose motto will be: "To intensify democracy, to strengthen organization, solutions now, no more dictatorships."

In June 1971, when the previous Congress was held, there were about 650 delegates in attendance representing the 135,000 members of the CNT.

Oscar Groba, a member of the union confederation's Executive Secretariat, said in this regard that some 1,000 delegates representing more than 200,000 workers will hopefully attend the Congress, and he stated that a great many new workers have been joining the union. "Our membership will keep on growing by the tens of thousands," he indicated.

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CSO: 3348/139

URUGUAY

RELATIONS WITH PRC SEEN AS IMMINENT

PY191518 Madrid EFE in Spanish 1049 GMT 18 Nov 85

[By Pablo Rovetta]

[Text] Beijing, 18 Nov (EFE)--After the successful talks that an Uruguayan congressional delegation has held in Beijing, the establishment of diplomatic relations between Uruguay and the PRC seems imminent. The final agreement between Montevideo and Beijing will be achieved after a number of problems, mainly economic and commercial, are overcome.

Congressmen of Uruguay's three main political forces have stated in Beijing that they favor recognition for the PRC. The lawmakers termed "successful" their talks in Beijing but admitted that a severance of relations with Taiwan would cause many problems. Luis Hierro Lopez, a deputy for the ruling Colorado Party, told EFE that "a severance of relations with Taiwan would probably have an effect on Uruguayan trade."

According to Hierro Lopez this situation was explained to Chinese leaders by members of the Uruguayan delegation who reassured Uruguay's strong interest in exporting manufactured goods and arriving at medium- and long-term commercial agreements.

It appears that Beijing leaders have given "positive" answers to these concerns and have indicated that the PRC "has enough patience" to wait for Uruguay to overcome its problems and can even "help resolve them."

Last year the PRC bought from Uruguay \$38 million worth of goods, mostly wool. Uruguay is now trying to sell to China some dairy products, fish and manufactured goods, to create or preserve jobs.

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CSO: 3348/210

URUGUAY

## GENERAL FEOLA'S DISMISSAL RAISES UNCERTAINTIES

### Unanswered Questions

Montevideo BUSQUEDA in Spanish 24 Oct 85 p 3

[Article by Daniel Gianelli: "Question Marks and Uncertainties Arising from General Feola's Dismissal"]

[Text] The ouster last week of the commander of the Second Army Division, Gen Alfonso Feola, and his replacement by Gen Jorge Bazzano caused severe political tensions and prompted a wide range of questions, commentaries and uncertainties.

Feola was ordered relieved of duty after the text of a letter he had sent to newspapers was published by some of them on Wednesday the 15th. In his letter General Feola compared the salaries of generals and ministers in 1968 and 1985. The comparison shows that the generals are currently earning much less than the ministers.

He also compared the salaries of generals with the salaries of other public servants such as ministers, undersecretaries, legislators, directors of autonomous agencies and top university officials. He cited the numbers to refute the notion that generals earn "princely" salaries, as several political leaders have claimed, particularly over the past few weeks during congressional debate on the Armed Forces budget.

No sooner had the letter been published than President Julio Sanguinetti met with Army Commander in Chief Lt Gen Hugo Medina, after which it was announced that Feola was being removed as commander of the second division.

In statements to BUSQUEDA after he learned of his removal, Feola admitted that the sanction was proper, though he denied that his remarks were political in nature, as the government claimed.

In response to questions, the ousted general admitted that he chose not to consult with his superior, Lt Gen Medina, on the text of letter and its publication. "Had I consulted with him, he would have denied me authorization. That was obvious," he remarked.

He also said that he was hurt by what he regarded as inaccurate remarks about the salaries that generals earn, and it was this that prompted him to disclose "what the real situation is." In explaining his decision, he alleged that "the person who should have done so didn't. I was the (general officer) next in line (after Medina), and that's why I risked it."

On Thursday the 16th Sanguinetti met with his defense minister, Juan V. Chiarino, and appointed Gen Jorge Bazzano to replace Feola. An administration spokesman said that the choice was made "in accordance with the strict order of seniority at the rank of general officers."

Political circles regard Bazzano as belonging to a faction committed to the Armed Forces government, which was in power until March, and as one of the generals closest to former President Gregorio Alvarez, under whom he served as commander of the Royal Guard. Bazzano is the sixth in line in the army, after Medina, Feola and the commanders of army divisions one, Carlos Verois; three, Juan C. Reissig, and four, Angel Barrios.

The episode highlighted the concern in large segments of the Armed Forces over the administration's initial cuts in the military budget, which the legislature has since taken under consideration.

We cannot try to explain this episode or weigh its potential repercussions without noting, however, that the Armed Forces still have many other concerns about a number of social developments and government decisions. We must not forget that other moves that the administration has made have prompted adverse reactions that led to the retirement of Gens Julio C. Bonelli and Jose M. Siquiera.

Sanguinetti obviously had military opinion in mind when he appointed Bazzano to replace Feola. The president punished him for clearly violating military regulations, inasmuch as he made statements on a political matter and ignored the chain of command.

To prevent the crisis from spreading, however, he resorted to an objective criterion in selecting Feola's successor, inasmuch as a politically motivated choice would have unquestionably made another general commander of the second division.

Feola's letter was without doubt carefully worded; he did not write it in a fit of rage. He did not couch it in aggressive terms, but in referring to the salaries of other national authorities, he consciously or unconsciously made points that might well detract from the prestige of civilian institutions or officials in the public's eye.

Political circles are asking themselves several questions about the episode itself, questions for which there are as yet no definite answers.

Was Feola merely expressing his personal concerns in public, or did he choose to be the spokesman or standard-bearer of groups in the military that are worried about the official silence on the salary issue?

Whom was Feola reproaching when he said that "the person who should have done so didn't"? The commander in chief of his branch, the defense minister, President Sanguinetti, the ruling party's legislators, or all of them?

Whether or not Feola's remarks were aimed at Medina, and whether or not they were intended to discredit him in the eyes of his subordinates, Feola's attitude and comments have obviously impaired Medina's prestige and leadership in the army.

Whether his prestige and leadership have been significantly impaired is something that we will only learn in the months to come.

#### Defense Budget Analyzed

Montevideo BUSQUEDA in Spanish 24 Oct 85 p 40

[Text] The removal of Gen Alfonso Feola as commander of the Second Army Division by the administration on Wednesday the 16th "has laid bare the differences of opinion among officers regarding the leadership of the commander in chief," Lt Gen Hugo Medina, military sources have told BUSQUEDA.

Feola, whose ouster was ordered after the publication of a letter signed by him in which he denied that officers' salaries were "princely," was attached to the National Defense Ministry, but Defense Minister Juan V. Chiarino gave assurances that he was not under house arrest.

Chiarino admitted yesterday that there were differences of opinion within the army, but he noted that Feola "made an inexcusable mistake" and that "the episode is behind us."

"There has to be a diversity of opinion in the army, as in all groups of men," Chiarino stated, adding that he assumed that "there are those in the military who say that the minister or the commander or some other top official did not come to the defense of the military as he should have, given the constant attacks on it."

The defense minister contended that the military is under "tremendous" attack. "No respect is being shown, and unjust, arbitrary and malevolent generalizations are being made," he complained. As an example, he cited the decision of the Medical Union to "severely reprimand" military physicians "for their conduct."

"Who can deny that there was torture and that truly reprehensible, outrageous things were done during the repression? No one. But who can truthfully assert that absolutely everyone (in the military), without exception, is equally to blame?" he asked.

According to Chiarino, "we are living in a climate of prejudice against the military, prompted by its previous excesses and an unreasonable and very unpleasant desire for revenge."

On Thursday the 17th Feola stated shortly after he was removed that he had written the letter because "the person who should have done so didn't," which the sources consulted by BUSQUEDA interpreted as an allusion to Medina.

#### Officers Meet to Consider Budget

Sources close to the administration admitted last week that Feola's removal pointed up "a certain degree of nervousness" in the Armed Forces over the announced cuts in military spending. (see BUSQUEDA No 302)

BUSQUEDA has learned that Armed Forces social institutions will be meeting today, Thursday the 24th, to discuss the National Defense Ministry's budget, which Congress is currently debating.

The meeting, which was called after a gathering that several military clubs held on Friday the 18th at the Military Center, will be attended by authorities from the Military Pension and Retirement Fund and will be for "information purposes."

Navy Club sources noted, however, that the navy had not been invited to the meeting on Friday the 18th and, therefore, did not attend.

The recent election at the Navy Club was won by Capt Julio Cesar Franzini, who had to retire during the military government after Paragraph G) of Article 192 of the Military Organic Law was applied to him.

#### Tarigo: "Not Proper"

Twenty-four hours after Feola's removal, Vice President Enrique Tarigo admitted that Feola's letter was "formally correct and substantially accurate" because it cited "real" figures. He noted, however, that "its publication was not proper."

"A general cannot have something like this printed up in the papers because the Armed Forces chain of command comes into play," he stated.

Tarigo felt that "the decision (to remove Feola) does honor to the commander in chief of the army, who immediately asked the president to order the appropriate sanctions."

#### EL DIA: "A Delicate Moment"

EL DIA addressed Feola's removal on its editorial page on Friday, reminding "the entire civilian society and, especially, our political leaders that we are at a particularly delicate moment, even if some would rather not admit it."

"We are accomplishing here without shrill squawking what Spain required a 10-year stop-and-go transition to accomplish." It went on to say that "certain frivolous military officers will never recognize" this "accomplishment" even

though they are heartily and greedily enjoying each and every one of its fruits."

On Sunday the 20th the paper addressed the issue once again, describing it as "an episode that is behind us and that has been completely clarified."

Meanwhile, Deputy Edison Rijo analyzed Feola's removal in an article in Sunday's EL DIA and drew several conclusions after reviewing the evidence.

Among them he emphasized that "certain individual actions that could be interpreted as bids for 'pseudo-leadership or martyrdom,' whether that was their intention or not, do not and will not have any chance of success given that all units are subordinate to their natural commands and given that they are completely subordinate to the civilian government."

#### "Could Have Been Avoided"

According to EL PAIS, "the president's decision to order General Feola's removal as commander of the second army division is unassailable inasmuch as the rule is that military personnel on active duty cannot make that sort of public statement."

It noted, nevertheless, that "no one is unaware that for some time now harsh and, at times, insulting value judgments have been made about salaries in the military, which no authority has bothered to clarify."

"In the wake of the incident, the national defense minister has declared that he will make public a detailed list of the salaries," the paper said, adding: "Such action should have been taken in the first place to forestall the problem."

It went on to say that "if military personnel cannot speak up publicly to defend themselves, then the number one authority in this area, the defense minister, ought to do so. Otherwise, the military would be the only segment of society without the 'right to reply' that our laws provide for."

#### Corso: "Hypocrisy"

Eduardo J. Corso, an attorney and grower, wrote in his Sunday column in LA MANANA that "Gen Alfonso D. Feola's letter dispels the doubts."

"The vice president of the republic himself, Dr Enrique Tarigo, stated publicly that the figures he cited are accurate," but "the atmosphere today becomes highly charged not so much because a well-founded complaint has been made as because it is a military officer who is speaking the truth," Corso indicated.

"This is called hypocrisy," he added sarcastically.

## Bazzano Takes Over

On Thursday the 17th, President Sanguinetti, with Minister Chiarino's concurrence, resolved to appoint Gen Jorge Bazzano as the new commander of the region headquartered in San Jose.

The 57-year old Bazzano was head of the Administrative Support Command, an agency that takes care of army services. His appointment was in accordance with the seniority list at the rank of general officer.

He also served as director of the School of Branches and Services and as commander of the Royal Guard of the Presidency of the Republic during the last term of the military government, when retired Lt Gen Gregorio Alvarez was chief of state.

Bazzano took up his post on Friday the 18th during a ceremony described as "purely military" that was held at the headquarters of the division command and presided over by Medina.

The ceremony was held in the morning and was attended by all active army generals except Feola.

Military sources said that it "is normal" when a general takes command of a unit for his peers to attend the ceremony.

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CSO: 3348/139

URUGUAY

IGLESIAS DISCUSSES POLICY FOR BORDER AREAS

PY191146 Montevideo Radio Carve in Spanish 0000 GMT 19 Nov 85

[Text] Foreign Minister Enrique Iglesias said tonight that Uruguay will implement a comprehensive policy for its border areas.

After speaking with all the deputies from the departments located in border areas, Iglesias made the following statement to Radio Carve:

[Begin recording] [Iglesias in progress] ...Two objectives. First, to put forward a series of ideas and projects for the negotiations to be held with Brazil in January. Second the creation of a mechanism within the executive branch to promote development of border areas on the basis of a comprehensive approach.

We exchanged views and we will regularly hold meetings in order to brief the deputies of these areas on what we are doing.

[Unidentified reporter] What kind of negotiations are we going to hold with Brazil?

[Iglesias] Well, they will deal essentially with trade, particularly the bilateral exchange through our borders and our agricultural and industrial exports to Brazil. Negotiations will also deal with the possible establishment of industrial plants, which will operate with special regulations in border areas.

[Reporter] Some sectors have pointed out that the purpose of a recent visit that you paid to the border area was to exercise Uruguayan sovereignty. Was this the purpose of your trip?

[Iglesias] Look, I believe that all countries must have a policy for their border areas that should take into account the development of the cultural, social, and economic sectors, particularly in the areas that have been hit by recession. We need information to carry out the negotiations with Brazil. The policy of border areas will be an essential part of government action.

[End recording]

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CSO: 3348/210

URUGUAY

BRIEFS

JEWISH DEMONSTRATION AT SOVIET EMBASSY--Montevideo, 19 Nov (EFE)--Several hundred Jews today complied with a call issued by the Israeli committee and gathered in front of the Soviet Embassy in Montevideo to demand the fulfillment of the Helsinki agreements. Carrying placards and chanting slogans demanding that Soviet authorities uphold human rights, the Uruguayans demanded freedom for Jews to exercise their culture in the USSR. The Uruguayans held their demonstration to coincide with the Geneva summit. During the demonstration, which lasted 1 hour, the demonstrators demanded the right of Soviet Jews to emigrate. The doors of the Soviet Embassy, which is located in the Pocitos residential neighborhood, remained tightly closed and only one light was visible in one of the second-story rooms of the building. [Text] [Madrid EFE in Spanish 0344 GMT 20 Nov 85 PY] /8918

CSO: 3348/210

VENEZUELA

GEOPOLITICAL IMPLICATIONS OF NEW STRATEGIC AIRPORTS VIEWED

Caracas EL DIARIO DE CARACAS in Spanish 14 Oct 85 p 17

[Excerpts] La Orchila--The new strategic airport officially opened here today by President Jaime Lusinchi reaffirms Venezuela's presence in the Caribbean and is only the first in a series of three being built by the government for the same geopolitical purpose.

At the present time, as part of a deliberate policy of solidifying Venezuela as a "Caribbean power" of President Lusinchi, other strategic runways are being built in the Venezuelan Caribbean: one 3,000 meters in Castilletes and another similar one in La Blanquilla.

In his speech (see details on this page), the president revealed his policy, which many observers view as a kind of complex of the country with respect to what is its natural area of influence.

As explained by Minister of Transport and Communications Juan Pedro del Moral, at the ceremony framed by the crystal-clear waters of this peaceful island, La Orchila, a forward post situated 86 nautical miles from Maiquetia: "It is being summoned to play an important role in the operations of defending our coasts, while at the same time functioning as an alternate for the Simon Bolivar International Airport."

As one high military official said during the parade viewed by the president from the T-61 ARV transport vessel "Capana," as the missiles fired from one of the frigates disappeared on the horizon: "We are not aggressors, but let it be known that we are prepared here." Participating in the military display were F-16 airplanes, Mirage jets, three missile-carrying frigates and a squadron of paratroopers.

This is not the first sign from the Lusinchi Administration concerning a reaffirmation of the Venezuelan presence in the Caribbean. The determination to find a solution to the problem of the Shell refinery about to be closed in Curazao was recently made clear. A large share of the population was left unemployed.

The bad economic situation would create a vacuum that could be a hotbed for any interested power.

In the past 6 years, the Caribbean has been the scene of a dispute between the United States and the Soviet Union.

In this game, Cuba has played a fundamental role in its relations with Venezuela and one of the first reasons for a quarrel that took on the dimensions of a total diplomatic freeze over additional causes.

For many observers, Venezuela had the disadvantage of having forgotten the Caribbean for many years, partly out of neglect, but also because of a kind of an absurd complex of not wishing to look imperialistic, when in all actuality, it was avoiding a responsibility that it is now hopefully meeting.

#### Gift

President Lusinchi received a gift from the members of the T-61 transport unit: a replica of a sword used by a Korean hero and purchased by the Venezuelan Navy. He expressed his thanks with great emotion, saying that for him, it is an extraordinary message, coming as a pure expression from the National Armed Forces.

The sword had belonged to Korean Admiral Ghin, the hero who defeated the Japanese fleet 150 years ago. It was acquired by the crew of the T-61 when they were training in South Korea in order to present it as a gift to the chief of state upon their return to Venezuela.

"It is an extraordinary homage, which I receive as chief of state, but also in my own behalf, for it makes me feel stronger and more courageous," he said.

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VENEZUELA

## LUSINCHI INAUGURATES STRATEGIC AIRPORT IN LA ORCHILA

Caracas EL DIARIO DE CARACAS in Spanish 14 Oct 85 p 17

[Text] Yesterday, President Jaime Lusinchi officially opened the airport in La Orchila built by the Ministry of Transport and Communications and the Venezuelan Navy.

The chief of state delivered the main speech at the ceremony marking the opening of this strategic airport of the Captain Antonio Diaz Naval Station and emphasized the cardinal importance of the airport from the standpoint of vigilance and the protection of our coast.

"One very important element must be stressed here," he said, "which is the very efficient use of funds through a combination of efforts of the civil and military administrations. This airport cost a little under 5 million bolivars and we saved a little over 18 million."

### Important Strategic Airport

He added that this should be emphasized because "when Venezuela is short of resources, then the combined efforts of the Armed Forces, which have a vocation of sacrifice, an extraordinary ability to work, systematic action and discipline enabling them to make efficient use of funds, joined with the efforts which the civil area of the administration can make, will perhaps enable us in many areas, on the land and at sea, to complete projects such as this which save time and optimize resources."

The president spoke a few more words to express "the satisfaction I feel in being present at the official opening of this very important strategic airport of the Antonio Diaz Naval Station.

"It is a kind of aircraft carrier anchored 86 nautical miles from La Guaira and even the most casual observer or layman such as myself can see the cardinal importance from the standpoint of vigilance and the protection of our coast."

### Geography and History

Venezuela has a naval vocation that comes to it not only because of its privileged geographic position, but also from its history and legend.

"On this opportunity, one should point out the expeditions of Miranda, the Los Cayos expedition, the naval battle that Antonio Diaz waged in the Orinoco Delta, one that guaranteed the campaign which the Liberator conducted in Guayana in order to cross the Andes and free Colombia, Ecuador, Peru and Bolivia.

"Nor can one forget other attempts which Venezuelans fighting for freedom made, confronting tyranny, those fortunately transitory battles that spottet our history. Venezuela has a Caribbean vocation and an Atlantic vocation which we must affirm. We are a Caribbean power.

"We so state serenely but firmly and these magnificent facilities which we are now officially opening are a good contribution to our purpose, which is a purpose of peace, a purpose of development and a purpose of co-existence. But it is also an affirmation of what is ours and of what we shall never abandon, of what we can never fail to do.

"This privileged land was bequeathed to us by our ancestors. The Liberator, the first of them, bequeathed it to us, to the generations of today and the future, and we must protect it. The world today is affected by many factors and this Caribbean, which is our field of action, has turned into a troubled sea, one of expectations and one of unrest, but also one of contradictions of the great powers, either directly or through their agents.

"Whatever the case, Venezuela, which is a land of freedom and democracy, not only needs to affirm that here, but to contribute to every event as our constitution dictates, solidifying its establishment and ensuring its durability."

#### Station for Armed Forces

"This Antonio Diaz Naval Station will serve all the National Armed Forces, which are but parts of a whole, joined together in a single purpose, each in its own area of specialization assigned to it, based on its operational forces. The navy has certainly had a generous vocation and our sailors, open as they are, have a broad spirit of co-existence and solidarity.

"In coming here today to inaugurate this airport, which, as Adm Fernandez Marquez said and as the minister of communications repeated, has an area of 3,200 meters and which was built according to all technical specifications, I would like to state that it will serve, not only as a sentry, but also, I repeat, as an efficient alternate to the Maiquetia Airport, which, as we all know, is subject to the whims of the weather."

#### Congratulations

"Time is not forgiving, not even in terms of money, but here we have had a kind of miracle. The victory belongs to the Ministry of Communications, the Navy and the Armed Forces, which all contributed, because we have had the technical assistance of the Air Force, along with the Armed Forces Engineers Corps. Congratulations to Juan Pedro del Moral and his staff."

VENEZUELA

BRIEFS

IMPROVED PROTECTION OF AMAZONAS TERRITORY--The head of the Federal Territory of the Amazonas has announced that in an effort to keep the border zones "totally protected," a program of equipping the general command of the police and departmental prefectures has been undertaken. The information states that the plan includes the acquisition of radio patrol cars, communications equipment and even the construction of housing for the different territorial prefects, all representing an investment of some 7 million bolivars. The eight radio patrol units to be purchased will be incorporated into the police fleet stationed on the border. The region had "lacked such vigilance aimed at preventing criminal action aimed at subverting the public order and disrupting the peace and harmony reigning in the Amazonas," says the bulletin released by the regional executive officer. The equipment, which also includes two personnel transport units and modern radiocommunications equipment, will be incorporated into the logistical "pool" of the district at a time when the mass media have condemned the threat to the country represented by Colombian guerrillas in the border zone. It was also reported that the head regional official, Gen Jesus Vargas Chirinos, who is now involved in a controversy revolving around his administration and whose resignation has even been requested, made an inspection tour of the National Guard commands located in Samariapo, Isla de Raton, San Fernando de Atabapo and San Juan de Maniapare.  
[Text] [Caracas EL DIARIO DE CARACAS in Spanish 13 Oct 85 p 10] 11,464

FOREIGN DEBT REDUCTION--New York, 5 Nov (VENPRES)--According to a report issued by the International Institute of Finances headquartered in Washington, Venezuela is the only country that has reduced its foreign debt and has managed to have a surplus of \$4.3 billion in the current accounts of its balance of payments. The financial institution's report textually says that "Venezuela's debt with international banks will drop from \$27.6 billion in 1984 to \$25.9 billion this year, which represents a reduction of \$1.7 billion.  
[Excerpts] [Caracas EL NACIONAL in Spanish 6 Nov 85 p A-1 PA] /8918

INCREASED INTERNATIONAL RESERVES--International foreign currency reserves of the Central Bank of Venezuela reached their highest level since control over exchange was established in February 1983. As of the end of last week, reserves totalled \$13.595 billion. This increase was brought about by a surplus in this year's balance of payments of \$1.094 billion resulting from \$12.754 billion in revenues and \$11.660 in expenditures. The availability of foreign currency decreased this year due to a drop of approximately \$11 billion in oil revenues; however, this drop was neutralized by a decline in imports and a reduction in payments to service the debt. [Summary] [Caracas EL NACIONAL in Spanish 31 Oct 85 p a-1 PA] /8918

IRON EXPORTS--Caracas, 8 Nov (AFP)--The Ferrominera del Orinoco exported 5 million tons of iron between January and August 1985. Sales increased 7 percent compared to the same period last year, the Energy Ministry reported. [Summary] [Paris AFP in Spanish 1557 GMT 8 Nov 85 PA] /8918

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